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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

September 30, 1992

Mr. Sidney L. Strickland, Jr.
Secretary

Interstate Commerce Commission
Washington, D.C. 20423

SEP 30 1992 -4 00 PM

INTERSTATE COMMERCE COMMISSION

17958

SEP 30 1992 -4 00 PM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) executed original copies each of an Equipment Leasing Agreement dated as of September 15, 1992, a primary document (as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177) and two secondary documents relating thereto, namely a Purchase Agreement Assignment dated as of September 30, 1992, and a Collateral Assignment of Services Agreement dated September 30, 1992.

The names and addresses of the parties executing the same are:

1. Equipment Leasing Agreement

Lessor: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

Lessee: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi

2. Purchase Agreement Assignment

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RECORDATION UNIT

Handwritten signatures and initials on the left margin.

Mr. Sidney L. Strickland, Jr.
September 30, 1992
Page Two

Assignee: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

Assignor: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi 39201

Vendor: Union Tank Car Company
Chicago, Illinois 39201

3. Collateral Assignment of Services Agreement

Assignor: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi 39201

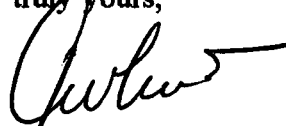
Assignee: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

A description of the railroad equipment covered by the enclosed document is attached hereto.

Also enclosed is a check in the amount of \$48 payable to the order of the Interstate Commerce Commission covering the required recordation files.

Kindly return one stamped copy of the enclosed documents to Robert W. Alvord, Esq., Alvord and Alvord, 918 16th Street, N.W., Washington, D.C. 20006.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

List of Equipment

234 used 70 ton, 50' 6" box cars manufactured by Berwick or Pullman with the following car numbers:

WCTR102500	WCTR102557	WCTR102615
WCTR102501	WCTR102558	WCTR102617
WCTR102502	WCTR102559	WCTR102618
WCTR102503	WCTR102560	WCTR102619
WCTR102504	WCTR102562	WCTR102620
WCTR102505	WCTR102563	WCTR102621
WCTR102506	WCTR102564	WCTR102622
WCTR102507	WCTR102565	WCTR102623
WCTR102508	WCTR102566	WCTR102624
WCTR102509	WCTR102568	WCTR102625
WCTR102511	WCTR102569	WCTR102626
WCTR102511 ⁷³	WCTR102571	WCTR102627
WCTR102514	WCTR102573	WCTR102629
WCTR102516	WCTR102575	WCTR102630
WCTR102518	WCTR102576	WCTR102631
WCTR102519	WCTR102577	WCTR102632
WCTR102520	WCTR102578	WCTR102633
WCTR102521	WCTR102579	WCTR102634
WCTR102522	WCTR102580	WCTR102635
WCTR102523	WCTR102582	WCTR102636
WCTR102525	WCTR102583	WCTR102637
WCTR102526	WCTR102584	WCTR102638
WCTR102527	WCTR102585	WCTR102639
WCTR102528	WCTR102586	WCTR102640
WCTR102529	WCTR102587	WCTR102641
WCTR102530	WCTR102588	WCTR102645
WCTR102533	WCTR102589	WCTR102646
WCTR102534	WCTR102590	WCTR102647
WCTR102535	WCTR102592	WCTR102648
WCTR102536	WCTR102593	WCTR102649
WCTR102537	WCTR102594	WCTR102651
WCTR102538	WCTR102595	WCTR102652
WCTR102539	WCTR102596	WCTR102654
WCTR102540	WCTR102597	WCTR102655
WCTR102541	WCTR102599	WCTR102656
WCTR102542	WCTR102600	WCTR102657
WCTR102543	WCTR102601	WCTR102658
WCTR102544	WCTR102603	WCTR102659
WCTR102545	WCTR102604	WCTR102660
WCTR102546	WCTR102606	WCTR102661
WCTR102548	WCTR102607	WCTR102662
WCTR102549	WCTR102608	WCTR102663
WCTR102550	WCTR102609	WCTR102664
WCTR102551	WCTR102610	WCTR102665
WCTR102552	WCTR102611	WCTR102666
WCTR102554	WCTR102612	WCTR102667
WCTR102555	WCTR102613	WCTR102668
WCTR102556	WCTR102614	WCTR102669

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WCTR102670	WCTR102730
WCTR102671	WCTR102731
WCTR102672	WCTR102732
WCT4102673	WCTR102733
WCT4102674	WCTR102734
WCTR102675	WCTR102735
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WCTR102677	WCTR102737
WCTR102678	WCTR102738
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WCTR102681	WCTR102742
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WCTR102683	WCTR102744
WCTR102684	WCTR102745
WCTR102685	WCTR102747
WCTR102686	WCTR102748
WCTR102687	WCTR102749
WCTR102688	WCTR102750
WCTR102689	WCTR102752
WCTR102690	WCTR102753
WCTR102691	WCTR102754
WCTR102692	WCTR102755
WCTR102693	WCTR102756
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WCTR102698	WCTR102760
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WCTR102701	WCTR102763
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EQUIPMENT LEASING AGREEMENT

INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASING AGREEMENT dated as of September 15, 1992 (herein, as amended and supplemented from time to time, called "this Lease"), between Unionbank Leasing Corporation, a California corporation (herein called "Lessor"), having its principal place of business at 125 Summer Street, Boston, Massachusetts 02110, and TennRail Corporation, a Delaware corporation (herein called "Lessee"), having its principal place of business at 111 East Capitol Street, Jackson, Mississippi 39201.

In consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Lease and shall be equally applicable to both the singular and the plural forms of the terms herein defined:

"Acceptance Date" for each Item of Equipment means the date on which Lessee has unconditionally accepted such Item for lease hereunder, as evidenced by Lessee's execution and delivery of a Lease Supplement for such Item dated such date.

"Acquisition Cost" of each Item of Equipment means an amount equal to the sum of (i) the total cost paid by Lessor for such Item, plus (ii) all sales and excise taxes paid by Lessor on or with respect to the acquisition of such Item, plus (iii) all costs and expenses approved and paid by Lessor in connection with the delivery and installation of such Item.

"Acquisition Period" means the period specified as such on each consecutively numbered Exhibit A now or hereafter attached hereto and made a part hereof.

"Assignee" shall have the meaning given to such term in Section 14(c) hereof.

"Basic Rent" means the rent payable for each Item of Equipment during (i) the Basic Term thereof pursuant to Section 7(b) hereof, and (ii) each Renewal Term thereof pursuant to Section 29(a) hereof.

"Basic Term" for each Item of Equipment means the period consisting of the number of months set forth for the type of Equipment to which such Item relates on the Related Exhibit A for such Item.

"Basic Term Commencement Date" for each Item of Equipment means the date specified as such on the Related Exhibit A for such Item.

"Business Day" means any day other than a day on which banking

institutions in the Commonwealth of Massachusetts are authorized by law to close;

"Casualty Loss Value" of each Item of Equipment shall have the meaning given to such term in Section 16(b) hereof.

"Code" means the Internal Revenue Code of 1986, as the same may be amended from time to time, or any comparable successor law.

"Equipment" means the equipment of the type(s) described on each consecutively numbered Exhibit A now or hereafter attached hereto and made a part hereof and leased or to be leased by Lessor to Lessee hereunder or ordered by Lessor for lease to Lessee hereunder, together with any and all accessions, additions, improvements and replacements from time to time incorporated or installed therein which are the property of Lessor pursuant to the terms of this Lease.

"Event of Default" means any of the events referred to in Section 23 hereof.

"Event of Loss" with respect to any Item of Equipment means (i) the loss of such Item of Equipment or any substantial part thereof, or (ii) the loss of the use of such Item of Equipment due to theft or disappearance for a period in excess of 45 days during the Term, or existing at the expiration or earlier termination of the Term, or (iii) the destruction, damage beyond repair, or rendition of such Item of Equipment or any substantial part thereof permanently unfit for normal use for any reason whatsoever, or (iv) the condemnation, confiscation, seizure, or requisition of use or title to such Item of Equipment or any substantial part thereof by any governmental authority under the power of eminent domain or otherwise or (v) as a result of any rule, regulation, order or other action by the United States Government or any agency or instrumentality thereof, the use of such Item of Equipment in the normal course of transportation shall have been prohibited for a continuous period of six months.

"Guarantor" means any guarantor of Lessee's obligations hereunder.

"Guaranty" means any guaranty of Lessee's obligations hereunder executed by Guarantor.

"Interim Rent" means the rent payable for each Item of Equipment for the Interim Term thereof pursuant to Section 7(a) hereof.

"Interim Term" for each Item of Equipment means the period commencing on the Acceptance Date for such Item (unless the Acceptance Date is the Basic Term Commencement Date, in which case there shall be no Interim Term for such Item) and ending on the date immediately prior to the Basic Term Commencement Date.

"Item of Equipment" or "Item" means a single unitary item of the Equipment.

"Lease Supplement" means a Lease Supplement substantially in the form attached hereto as Exhibit B, to be executed by Lessor and Lessee with respect to each Item of Equipment as provided in Section 4 hereof, evidencing that such Item is leased hereunder.

"Lenders' Agent" means The First National Bank of Boston, or such other agent specified by Lessee in writing to Lessor.

"Lien" means liens, mortgages, encumbrances, pledges, charges and security interests of any kind.

"Management Services Agreement" means that certain agreement dated as of September 30, 1992 entered into by the Lessee and WCTU Railway Company ("WCTU") to manage the Equipment described herein.

"Maximum Acquisition Cost" means the amount specified as such on each consecutively numbered Exhibit A now or hereafter attached hereto and made a part hereof.

"Parent" means MidSouth Corporation, the parent corporation of Lessee.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or government or governmental authority, agency or political subdivision thereof.

"Related Exhibit A" means, with respect to an Item of Equipment, the particular numbered Exhibit A now or hereafter attached hereto and made a part hereof to which such Item relates as specified in Section 4 hereof.

"Renewal Term" for each Item of Equipment means each period following the end of the Basic Term for such Item with respect to which Lessee has the option to renew this Lease pursuant to Section 29(a) hereof.

"Rent" means Interim Rent and Basic Rent.

"Rent Payment Date" for each Item of Equipment means (i) for the Basic Term thereof, each date on which a payment of Basic Rent is due and payable for such Item pursuant to Section 7(b) hereof, (ii) for the Interim Term thereof (if any), the Basic Term Commencement Date for such Item, and (iii) for each Renewal Term thereof, each date on which a payment of Basic Rent is due and payable for such Item as provided in Section 29(a) hereof.

"Rental Period" for each Item of Equipment means (i) for the Interim Term of such Item, the period from and inclusive of the Acceptance Date for such Item to, but not inclusive of, the Basic Term Commencement

Date for such Item, (ii) for the Basic Term of such Item, each period for which a payment of Basic Rent is to be made for such Item during the Basic Term thereof as set forth on the Related Exhibit A for such Item (opposite the reference to Rental Periods for Basic Term), and (iii) for each Renewal Term of such Item, each period for which a payment of Basic Rent is to be made for such Item during such Renewal Term as set forth on the Related Exhibit A for such Item (opposite the reference to Rental Periods for Renewal Term).

"Supplemental Payments" means all amounts, liabilities and obligations which Lessee assumes or agrees to pay hereunder to Lessor or others, including payments of Casualty Loss Value and indemnities, but excluding Basic Rent and Interim Rent.

"Term" means the full term of the Lease with respect to each Item of Equipment, including the Interim Term (if any), the Basic Term, and each Renewal Term.

The words "this Lease", "herein", "hereunder", "hereof" or other like words mean and include this Equipment Leasing Agreement, each Related Exhibit A, each Lease Supplement, and each amendment and supplement hereto and thereto.

2. Agreement for Lease of Equipment. Subject to, and upon all of the terms and conditions of this Lease, Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor each Item of Equipment for the Term with respect to such Item. Provided that no Event of Default has occurred and is continuing hereunder, Lessor agrees that it shall not interfere with Lessee's quiet enjoyment and use of any Item of Equipment leased hereunder during the Term thereof.

3. Conditions Precedent. Lessor shall have no obligation to purchase any Item of Equipment and to lease the same to Lessee unless each of the following conditions are fulfilled to the satisfaction of Lessor: (i) no event which is (or with notice or lapse of time or both would become) an Event of Default has occurred and is continuing; (ii) no material adverse change in the financial condition of Lessee (or of any Guarantor) which, in Lessor's reasonable opinion, would impair the ability of Lessee to pay and perform its obligations under this Lease (or of any Guarantor to pay and perform such obligations) has occurred since the date specified as the Financial Condition Reference Date on the Related Exhibit A for such Item; (iii) such Item of Equipment is acceptable to Lessor, and is free of all Liens, other than any Lien specifically excepted in Section 15 hereof; (iv) the Acceptance Date for such Item of Equipment is a date within the Acquisition Period specified on the Related Exhibit A for such Item and Lessee has executed and delivered to Lessor the Related Exhibit A for such Item; (v) the Acquisition Cost of such Item of Equipment, when added to the total Acquisition Cost of all Equipment of the type to which such Item relates and which has been leased hereunder or ordered by Lessor for lease hereunder, will not be such an amount so as to cause the Maximum Acquisition Cost specified on the Related Exhibit A for such Item to be

exceeded; (vi) Lessor has received an invoice for such Item of Equipment from the seller thereof, approved for payment by Lessee, showing Lessor as the purchaser of such Item, or, if Lessee is the seller of such Item, a bill of sale for such Item from Lessee to Lessor in form and substance satisfactory to Lessor, together with evidence, satisfactory to Lessor, of Lessee's payment to the original seller of such Item, (vii) a Lease Supplement for such Item, duly executed by Lessee, and dated the Acceptance Date for such Item; (viii) Lessor shall have received such other documents, appraisals, opinions, certificates and waivers, in form and substance satisfactory to Lessor, as Lessor may reasonably require; (ix) this Lease, each Lease Supplement, and any amendments or supplements thereof shall have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303 and the Registrar General of Canada pursuant to Section 90 of the Railway Act; and (x) Lessor shall have received a written opinion of Interstate Commerce Commission counsel satisfactory to Lessor, in form and substance satisfactory to Lessor.

4. Delivery, Acceptance and Leasing of Equipment. Lessor shall not be liable to Lessee for any failure or delay in obtaining any Item of Equipment or making delivery thereof. The Lessee hereby agrees to accept all Items of Equipment as designated in Schedule A-1 attached hereto and to execute and deliver a Lease Supplement for each Item on the date of closing of this Lease and such date of closing shall be the Acceptance Date for each Item of Equipment so designated. The execution by Lessor and Lessee of a Lease Supplement for an Item of Equipment shall (a) evidence that such Item is leased under, and is subject to all of the terms, provisions and conditions of, this Lease, and (b) constitute Lessee's unconditional and irrevocable acceptance of such Item for all purposes of this Lease. An Item of Equipment shall be conclusively deemed to relate to the particular numbered Exhibit A now or hereafter attached hereto and made a part hereof on which is set forth (i) a description of such Item or the type of Equipment to which such Item relates and (ii) the Acquisition Period within which the Acceptance Date for such Item has occurred.

5. Term. The Interim Term (if any) for each Item of Equipment shall commence on the Acceptance Date thereof, and, unless sooner terminated pursuant to the provisions hereof, shall end on the date immediately prior to the Basic Term Commencement Date thereof. The Basic Term for each Item of Equipment shall commence on the Basic Term Commencement Date thereof and, unless this Lease is sooner terminated with respect to such Item (or all Equipment) pursuant to the provisions hereof, shall end on the date specified therefor in the Lease Supplement for such Item. If not sooner terminated pursuant to the provisions hereof, the Term for each Item of Equipment shall end on the last day of the Basic Term thereof, or if this Lease is renewed pursuant to Section 29(a) hereof, on the last day of the last Renewal Term thereof.

6. Return of Equipment. Upon the expiration or earlier termination of the Term with respect to each Item of Equipment (and provided, in the case of the expiration of the Term, that Lessee has not exercised its purchase option under Section 29(b) hereof), Lessee will surrender and

deliver possession of each Item of Equipment to Lessor at such location within the continental United States as shall be designated by Lessor to Lessee in writing seventy-five (75) days prior to the expiration of the Term (unless Lessor elects the storage option in paragraph (II) below). Lessee shall use its best efforts to priority load such Equipment and deliver such Items to such location. In the event Lessee is unable to priority load such Equipment to such location, Lessee shall deliver such Items to such location and Lessee shall be responsible for all costs of such delivery to a point 250 miles from the nearest interchange point on Lessee's or its Affiliate's tracks to the delivery location and Lessor shall reimburse Lessee for the delivery costs in excess of such amount. At the time of such return to Lessor, each Item of Equipment (and each part or component thereof) shall (i) be in good operating order, and in the repair and condition as when originally delivered to Lessee, ordinary wear and tear from proper use thereof excepted, (ii) shall comply with all laws and rules referred to in Section 11, shall qualify for interchange service in accordance with the Interchange Rules of the Association of American Railroads and Federal Railroad Administration rules and regulations, and shall have attached or affixed thereto any addition, modification or improvement considered an accession thereto as provided in Section 12 hereof and shall have removed in a workmanlike manner therefrom if so requested by the Lessor or any Assignee at the Lessee's expense any addition, modification or improvement which, as provided in Section 12 hereof, is owned by the Lessee (iii) be free and clear of all Liens, other than a Lien granted or placed thereon by Lessor or any Assignee pursuant to Section 14(c) hereof, (iv) suitable for loading of the commodities intended to be loaded in such Items of Equipment, (v) free from all accumulations or deposits from commodities transported in or on it while in the service of Lessee, and (vi) free of any and all Association of American Railroads Rule 95, as amended, damage. For the purpose of delivering possession of any Items of Equipment as above required, the Lessee shall at its own cost, expense and risk:

(I) forthwith and in the usual manner (including, but not by way of limitation, to the extent legally required by applicable law, rules or regulations to protect the Lessor's or Assignee's interest in the Items of Equipment), give prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any Items of Equipment have been interchanged or which may have possession thereof to return the Items of Equipment and shall place such Items of Equipment upon such storage tracks on the Lessee's or its Affiliate's tracks as the Lessee reasonably may designate;

(II) at Lessor's option, cause such Items of Equipment to be stored on such tracks or moved once to an interchange point at the risk of the Lessee without charge to the Lessor or any Assignee for insurance, rent or storage until all such Items of Equipment have been sold, leased or otherwise disposed of by Lessor but not to exceed 90 days; and

(III) cause the same to be transported once to any location within the continental United States as directed by the Lessor or Assignee

seventy-five (75) days prior to the end of the storage period.

During any such storage period the Lessee will maintain and keep the Items of Equipment in the manner set forth in Section 11 hereof and permit Lessor or any Person designated by it, including the authorized representative or representatives of any prospective purchase, lessee or other user of any Items of Equipment, to inspect the same, provided, however, that such representatives act at their own risk, and Lessee will not be liable, except in the case of gross negligence or willful misconduct of the Lessee, its employees or agents, for the death or injury to any person exercising the right of inspection granted herein.

Until each such Item of Equipment has been returned to Lessor as provided in this Section 6, Lessee shall continue to pay Lessor, on the same dates on which Basic Rent for such Item was payable during the Basic Term thereof, the same Basic Rent for such Item that was payable on the last Rent Payment Date of the Basic Term thereof; provided, however no Basic Rent shall be due during the storage period described hereinabove. The provisions of this Section 6 are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee set forth in this Section 6.

For the purposes of this Section 6 only, "Affiliates" shall be defined as MidSouth Rail Corporation, MidLouisiana Rail Corporation or SouthRail Corporation.

7. Rent.

(a) Interim Rent. Lessee hereby agrees to pay Lessor Interim Rent for each Item of Equipment as to which there is an Interim Term, payable on the Rent Payment Date of the Interim Term for such Item, in the amount obtained by multiplying (i) the Acquisition Cost of such Item by (ii) the percentage set forth (opposite the Interim Rent Percentage reference) on the Related Exhibit A for such Item, by (iii) the number of days from and including the Acceptance Date for such Item through the end of the Interim Term for such Item.

(b) Basic Rent. Lessee hereby agrees to pay Lessor Basic Rent for each Item of Equipment during the Basic Term thereof at the times and on the Rent Payment Dates set forth on the Related Exhibit A for such Item and in an amount obtained by multiplying (i) the Acquisition Cost of such Item by (ii) the percentage of Acquisition Cost set forth (opposite the Basic Rent Percentage reference) on such Related Exhibit A.

(c) Supplemental Payments. Lessee also agrees to pay to Lessor, or to whomsoever shall be entitled thereto as expressly provided herein, all Supplemental Payments, promptly as the same shall become due and owing, and in the event of any failure on the part of Lessee so to pay any such Supplemental Payment hereunder Lessor shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case

of nonpayment of Rent.

(d) Method of Payment. All payments of Rent and Supplemental Payments required to be made by Lessee to Lessor shall be made in good funds. In the event of any assignment to an Assignee pursuant to Section 14(c) hereof, all payments which are assigned to such Assignee, whether Rent, Supplemental Payments or otherwise, shall be paid in such manner as shall be designated by Lessor or such Assignee. Time is of the essence in connection with the payment of Rent and Supplemental Payments.

8. Net Lease. This Lease is a net lease. Lessee acknowledges and agrees that its obligations hereunder, including, without limitation, its obligations to pay Rent for all Equipment leased hereunder and to pay all Supplemental Payments payable hereunder, shall be unconditional and irrevocable under any and all circumstances, shall not be subject to cancellation, termination, modification or repudiation by Lessee, and shall be paid and performed by Lessee without notice or demand and without any abatement, reduction, diminution, setoff, defense, counterclaim or recoupment whatsoever, including, without limitation, any abatement, reduction, diminution, setoff, defense, counterclaim or recoupment due or alleged to be due to, or by reason of, any past, present or future claims which Lessee may have against Lessor, any Assignee, any manufacturer or supplier of the Equipment or any Item thereof, or any other Person for any reason whatsoever, or any defect in the Equipment or any Item thereof, or the condition, design, operation or fitness for use thereof, any damage to, or any loss or destruction of, the Equipment or any Item thereof, or any Liens or rights of others with respect to the Equipment or any Item thereof, or any prohibition or interruption of or other restriction against Lessee's use, operation or possession of the Equipment or any Item thereof, for any reason whatsoever, or any default by Lessor in the performance of any of its obligations herein contained, or any other indebtedness or liability, howsoever and whenever arising, of Lessor, or of any Assignee, or of Lessee to any other Person, or by reason of insolvency, bankruptcy or similar proceedings by or against Lessor, any Assignee or Lessee, or for any other reason whatsoever, whether similar or dissimilar to any of the foregoing, any present or future law to the contrary notwithstanding; it being the intention of the parties hereto that all Rent and Supplemental Payments payable by Lessee hereunder shall continue to be payable in all events and in the manner and at the times herein provided, without notice or demand, unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

9. Lessor's Title; Equipment to be and Remain Personal Property. Title to the Equipment shall at all times remain in Lessor and at no time during the Term shall title become vested in Lessee. This Lease is and is intended to be a true lease and not a lease intended as security or a lease in the nature of a security interest. Lessee shall acquire no right, title or interest in or to the Equipment, except the right to use the same pursuant to the terms of this Lease. It is the intention and understanding of both Lessor and Lessee, and Lessee shall take all such actions as may be required to assure, that the Equipment shall be and at all times remain

personal property, notwithstanding the manner in which the Equipment may be attached or affixed to realty. Lessee shall obtain and record such instruments and take such steps as may be necessary to prevent any Person from acquiring any rights in the Equipment by reason of the Equipment being claimed or deemed to be real property.

10. Use of Equipment; Compliance with Laws. Lessee agrees that the Equipment will be used and operated in compliance with any and all insurance policy terms, conditions and provisions and with all statutes, laws, ordinances, rules and regulations of any Federal, state or local governmental body, agency or authority applicable to the use and operation of the Equipment, including without limitation the Association of American Railroads Interchange Rules, and the rules and regulations of the Federal Railroad Administration, the United States Department of Transportation and the Interstate Commerce Commission. Lessee shall procure and maintain in effect all licenses, registrations, certificates, permits, approvals and consents required by Federal, state or local laws or by any governmental body, agency or authority in connection with the ownership, delivery, installation, use and operation of each Item of Equipment. Lessee or a Sublessee permitted under Section 14 hereof shall use and operate the Equipment or cause it to be used and operated only by personnel authorized by Lessee in the United States, Canada or Mexico, but at no time during the Lease Term shall any Item of Equipment be used predominately outside of the United States within the meaning of Section 168(g) of the Code. Lessee shall use every reasonable precaution to prevent loss or damage to each Item of Equipment from fire and other hazards. Lessee shall not use any Unit of Equipment, or permit any Unit of Equipment to be used, for the transportation or storage of any substance which is categorized as or required to be labeled as, "poison" or "poisonous", "explosive" or "radioactive" (or any categories or labels substituted for such categories or labels as in effect on the day hereof) under 49 CFR 171 or other applicable Federal rules in effect from time to time regulating the transportation of hazardous materials.

11. Maintenance and Repair of Equipment. Lessee agrees, at its own cost and expense, to keep, repair, maintain and preserve the Equipment in good order and operating condition, and in compliance with such maintenance and repair standards and procedures as are set forth in the manufacturer's manuals pertaining to the Equipment, and as otherwise may be required to enforce warranty claims against each vendor and manufacturer of each Item of Equipment, and in compliance with all requirements of law applicable to the maintenance and condition of the Equipment, including, without limitation, environmental, noise and pollution laws and regulations (including notifications and reports), and in compliance with the Interchange Rules and all other rules of the Association of American Railroads (and qualify for interchange service in accordance with such interchange rules) and with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation, maintenance or use of the Equipment.

Lessee agrees to prepare and deliver to the Lessor and any Assignee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of Lessor and any Assignee) any and all reports (other than income tax returns) to be filed by Lessor or any Assignee with any Federal, state or other regulatory authority by reason of the ownership by Lessor or Assignee of the Units of Equipment or the leasing thereof to Lessee. Lessor agrees to inform Lessee of any request for such reports received by it. Lessee agrees to maintain all records, logs and other materials required by the Association of American Railroads or the Department of Transportation, or any other governmental authority having jurisdiction over the Units of Equipment or the Lessee, to be maintained in respect of each Unit of Equipment. Lessee hereby waives any right now or hereafter conferred by law to make repairs on the Equipment at the expense of Lessor.

12. Replacements; Alterations; Modifications. In case any Item of Equipment (or any equipment, part or appliance therein) is required to be altered, added to, replaced or modified in order to comply with any laws, regulations, requirements or rules ("Required Alteration") pursuant to Sections 10 or 11 hereof, Lessee agrees to make such Required Alteration at its own expense; provided, however, that if Lessee provides Lessor with evidence reasonably satisfactory to Lessor that the cost of such Required Alteration exceeds the Casualty Loss Value as provided in Section 16 hereof, Lessee may elect to declare any Item for which a Required Alteration is required a Casualty Loss as provided in Section 16. In the event such Required Alteration is readily removable without causing material damage to the Item of Equipment, and is not a part, item of equipment or appliance which replaces any part, item of equipment or appliance originally incorporated or installed in or attached to such Item of Equipment on the Acceptance Date therefor or any part, item of equipment or appliance in replacement of or substitution for any such original part, item of equipment or appliance, any such Required Alteration shall be and remain the property of Lessee. To the extent such Required Alteration is not readily removable without causing material damage to the Item of Equipment to which such Required Alteration has been made, or is a part, item of equipment or appliance which replaces any part, item of equipment or appliance originally incorporated or installed in or attached to such Item of Equipment on the Acceptance Date therefor or any part, item of equipment or appliance in replacement of or substitution for any such original part, item of equipment or appliance, the same shall immediately be and become the property of Lessor and subject to the terms of this Lease. Lessee agrees that, within 30 days after the close of any calendar quarter in which Lessee has made any Required Alterations, Lessee will give written notice thereof to Lessor describing, in reasonable detail, the Required Alterations and specifying the cost thereof with respect to each Item of Equipment and the date or dates when made. Any parts installed or replacements made by Lessee upon any Item of Equipment pursuant to its obligation to maintain and keep the Equipment in good order, operating condition and repair under Section 11 hereof shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in Lessor. Except as required or permitted by the provisions of this Section

12, Lessee shall not modify an Item of Equipment without the prior written authority and approval of Lessor. Lessor hereby approves a replacement of the 16' double sliding doors with a single 10' sliding door (hereinafter referred to as the "Door Modification").

13. Identification Marks; Legend; Inspection. No later than the Completion Date of the Door Modification of each Item of Equipment, Lessee will cause each Item to be kept numbered with the identification number as shall be set forth on the Lease Supplement therefor, and Lessee will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Item, in letters not less than one inch in height, the words "Owned by BOT Financial Corporation, as Owner and leased to Lessee pursuant to an Equipment Leasing Agreement filed with the Interstate Commerce Commission" or other appropriate words designated by Lessor or Assignee, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect Lessor's title to and any Assignee's interests in such Item and the rights of Lessor and of any Assignee. The Lessee will replace promptly any such words which may be removed, defaced, obliterated or destroyed. The Lessee will not change the identification number of any Item unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished Lessor an opinion of counsel in form and substance satisfactory to Lessor to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect Lessor's interests in such Items and that no other filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interest of Lessor in such Item. The Items of Equipment may be lettered with the names or initials or other insignia customarily used by Lessee but Lessee will not allow the name of any other Person to be placed on any Item of Equipment as designation that might be interpreted as a claim of ownership thereto or a security interest therein by any Person other than Lessor or any Assignee except the markings as of the Acceptance Date. Upon the request of Lessor, Lessee shall make the Equipment available to Lessor for inspection and shall also make Lessee's records pertaining to the Equipment available to Lessor for inspection.

14. Assignment and Subleasing.

(a) By Lessee. LESSEE WILL NOT, EXCEPT AS PROVIDED IN THIS SECTION, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, WHICH SHALL NOT BE UNREASONABLY WITHHELD, SUBLEASE OR OTHERWISE RELINQUISH POSSESSION OF ANY ITEM OF EQUIPMENT, OR ASSIGN, TRANSFER OR ENCUMBER ITS RIGHTS, INTERESTS OR OBLIGATIONS HEREUNDER AND ANY ATTEMPTED SUBLEASE, RELINQUISHMENT, ASSIGNMENT, TRANSFER OR ENCUMBERING BY LESSEE SHALL BE NULL AND VOID. Notwithstanding the foregoing, so long as no Event of Default shall have occurred or be continuing hereunder, Lessee shall be entitled to the possession and use of the Items of Equipment upon lines of railroad owned or operated by it or upon lines of railroad over which Lessee has trackage

or other operating rights or over which railroad equipment of Lessee is regularly operated and shall be entitled to permit the use of the Items of Equipment upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, provided, that Lessee's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety. Lessee may receive and retain compensation for the use of any of the Items of Equipment from railroads or other entities so using such Items of Equipment.

(b) So long as Lessee shall not be in default under this Lease, Lessee may sublease the Units to others (the "Sublessee(s)") for a term not extending beyond the original term of this Lease (or any renewal term that shall have been entered into pursuant to Section 29(a) hereof) and Lessee may enter into the Management Services Agreement; provided, however, that the rights of any such sublessee and WCTU shall be subject and subordinate to, and any such sublease and the Management Services Agreement shall be made expressly subject and subordinate to, all of the terms of this Lease, and Lessee shall remain obligated to perform all of its duties and obligations hereunder. In addition, before Lessee enters into any such sublease for a period greater than six months, Lessee must obtain Lessor's prior approval and Lessor agrees that such approval shall not be unreasonably withheld and that such determination is to be given within ten (10) business days of the date of receipt of such request. No sublease of any Unit shall nor shall the Management Services Agreement in any way discharge or diminish any of Lessee's obligations to Lessor hereunder including, but not limited to, the payments due to Lessor pursuant to Section 7 of this Lease.

Nothing herein shall restrict the right of the Lessee to assign or transfer its leasehold interest hereunder to any solvent corporation incorporated under the laws of any state of the United States or the District of Columbia, into or with which the Lessee shall have become merged or consolidated or that shall have acquired the business and property of the Lessee substantially as an entirety, provided that (i) Lessee shall give Lessor prior written notice of the assignment or transfer, (ii) such assignee or transferee shall have duly assumed the obligations of the Lessee hereunder in writing which agreement shall be reasonably acceptable to Lessor, (iii) such assignee or transferee will not, upon the effectiveness of such merger, consolidation, or acquisition, be in default under any provision of this Lease, (iv) the Lessor shall continue to have all rights of a lessor under Section 1168 of the Bankruptcy Code hereunder and in respect of the Units, and (v) such assignee or transferee (after giving effect to such merger or acquisition) shall have a net worth not less than the net worth of the Lessee immediately prior to such merger or acquisition.

(c) By Lessor. Lessor may, at any time, without notice to, or the consent of, Lessee sell, assign, transfer or grant a security interest in all or any part of Lessor's rights, obligations, title or interest in, to and under the Equipment or any Item(s) thereof, this Lease, any Lease Supplement and/or any Rent and Supplemental Payments payable under this

Lease or any Lease Supplement. Any entity to whom any such sale, assignment, transfer or grant of security interest is made is herein called an "Assignee" and any such sale, assignment, transfer or grant of security interest is herein called an "assignment". An Assignee may re-assign and/or grant a security interest in any of such rights, obligations, title or interest assigned to such Assignee. Lessee agrees to execute related acknowledgments and other documents that may be reasonably requested by Lessor or an Assignee. Each Assignee shall have and may enforce all of the rights and benefits of Lessor hereunder with respect to the Item(s) of Equipment and related Lease Supplement(s) covered by the assignment, including, without limitation, the provisions of Section 8 hereof and Lessee's representations and warranties under Section 22 hereof. Lessee acknowledges that any such assignment will not materially change its duties or materially increase its burdens or risks hereunder. Each such assignment shall be subject to Lessee's rights hereunder so long as no Event of Default has occurred and is occurring hereunder. Lessee shall be under no obligation to any Assignee except upon written notice of such assignment from Lessor or, in the case of a reassignment, from the Assignee. Upon written notice to Lessee of an assignment, Lessee agrees to pay the Rent and Supplemental Payments with respect to the Item(s) of Equipment covered by such assignment to such Assignee in accordance with the instructions specified in such notice without any abatement, defense, setoff, counterclaim or recoupment whatsoever, and to otherwise comply with all notices, directions and demands which may be given by Lessor or such Assignee with respect to such Item(s), in accordance with the provisions of this Lease. Notwithstanding any such assignment, all obligations of Lessor to Lessee under this Lease shall be and remain enforceable by Lessee against Lessor and any Assignee to whom an assignment has been made.

15. Liens. Lessee will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to (i) the Equipment or any Item thereof, Lessor's title thereto or any interest therein, or (ii) this Lease or any of Lessor's interests hereunder, except (a) any Lien granted or placed thereon by Lessor or any Assignee pursuant to Section 14(c) hereof; (b) any lien resulting from any independent act of or claim against Lessor which does not result from, arise out of, or relate to the manufacture, acquisition, ownership or leasing of the Items or this Lease or any Lease Supplement or an Event of Default; (c) liens for taxes either not yet delinquent or being contested by Lessee in good faith by appropriate proceedings; (d) materialman's, mechanic's, workman's, repairman's, employee's, storage or like liens arising in the ordinary course of business which are not delinquent or being contested by Lessee in good faith by appropriate proceedings; (e) any liens otherwise agreed to by the Lessor as provided in the list attached to this Lease as Exhibit C ("Permitted Liens"). Lessee, at its own expense, will promptly pay, satisfy and otherwise take such actions as may be necessary to keep this Lease and the Equipment free and clear of, and to duly discharge or eliminate or bond in a manner satisfactory to Lessor and each Assignee, any such Lien not excepted above if the same shall arise at any time. Lessee will notify Lessor and each Assignee in writing promptly upon becoming aware of any tax or other Lien (other than any lien excepted above) that

shall attach to the Equipment or any Item of Equipment, and of the full particulars thereof.

16. Loss, Damage or Destruction.

(a) Risk of Loss, Damage or Destruction. Lessee hereby assumes all risk of loss, damage, theft, taking, destruction, confiscation, requisition or commandeering, partial or complete, of or to each Item of Equipment, however caused or occasioned, such risk to be borne by Lessee with respect to each Item of Equipment from the date of this Lease, and continuing until such Item of Equipment has been returned to Lessor in accordance with the provisions of Section 6 hereof or has been purchased by Lessee in accordance with the provisions of Section 29(b) hereof. Lessee agrees that no occurrence specified in the preceding sentence shall impair, in whole or in part, any obligation of Lessee under this Lease, including, without limitation, the obligation to pay Rent.

(b) Payment of Casualty Loss Value Upon an Event of Loss. If an Event of Loss occurs with respect to an Item of Equipment during the Term thereof, Lessee shall give Lessor prompt written notice thereof and shall pay to Lessor on the Rent Payment Date next following the date of such Event of Loss (or on the last day of the Rental Period in which such Event of Loss occurs if there is no succeeding Rent Payment Date) the sum of (i) all unpaid Interim Rent and Basic Rent payable for such Item of Equipment prior to such Rent Payment Date, plus (ii) the Casualty Loss Value of such Item of Equipment as of (x) the Rent Payment Date next preceding or coincident with the date of such Event of Loss if Basic Rent for such Item of Equipment is payable in advance, or (y) the Rent Payment Date next following the date of such Event of Loss if Basic Rent for such Item of Equipment is payable in arrears, plus (iii) the Basic Rent payable for such Item of Equipment for the Rental Period in which such Event of Loss has occurred, if Basic Rent for such Item is payable in arrears, plus (iv) all other Supplemental Payments due for such Item of Equipment as of the date of payment of the amounts specified in the foregoing clauses (i), (ii) and (iii). Any payments received at any time by Lessor or by Lessee from any insurer or other party (except Lessee) as a result of the occurrence of such Event of Loss will be applied in reduction of Lessee's obligation to pay the foregoing amounts, if not already paid by Lessee, or, if already paid by Lessee, will be applied to reimburse Lessee for its payment of such amount, unless an Event of Default shall have occurred and be continuing. Upon payment in full of such Casualty Loss Value, Basic Rent, Interim Rent (if applicable) and Supplemental Payments, (A) the obligation of Lessee to pay Rent hereunder with respect to such Item of Equipment shall terminate and the Term of such Item shall terminate, and (B) Lessor shall transfer to Lessee all right, title and interest in the Item(s) of Equipment for which such Casualty Loss Value has been paid, and Lessee may, as it deems practical, dispose of such Item or Items of Equipment. As used in this Lease, the term "Casualty Loss Value" of any Item of Equipment as of any Rent Payment Date means an amount determined by multiplying the Acquisition Cost of such Item of Equipment by the percentage set forth opposite such Rent Payment Date on the schedule of Casualty Loss Values attached to and

made a part of the Related Exhibit A for such Item.

(c) Application of Payments Not Relating to an Event of Loss.

Any payments (including, without limitation, insurance proceeds) received at any time by Lessor or Lessee from any governmental authority or other party with respect to any loss or damage to any Item or Items of Equipment not constituting an Event of Loss, will be applied directly in payment of repairs or for replacement of property in accordance with the provisions of Section 11 and 12 hereof, if not already paid by Lessee, or if already paid by Lessee and no Event of Default shall have occurred and be continuing, shall be applied to reimburse Lessee for such payment, and any balance remaining after compliance with the provisions of said Sections with respect to such loss or damage shall be retained by Lessor.

17. Insurance. Lessee will cause to be carried and maintained, at its sole expense, with respect to the Equipment at all times during the Term thereof and until the Equipment has been returned to Lessor (a) physical damage insurance (including theft and collision insurance in the case of all Items of Equipment consisting of motor vehicles) insuring against all risks of physical loss or damage to the Equipment, in an amount not less than the greater of the Casualty Loss Value of the Equipment or the replacement value of the Equipment, and (b) comprehensive general public liability insurance for bodily injury, death and property damage resulting from the use and operation of the Equipment (including FELA claims) in an amount not less than \$25,000,000.00 per occurrence in each case with exclusions reasonably acceptable to Lessor and a deductible no greater than \$3,000,000.00. Such insurance policy or policies will name Lessor and each Assignee as the sole loss payees, as their interests may appear, on all policies referred to in clause (a) of the preceding sentence, and will name Lessor and each Assignee as additional insureds on all policies referred to in clause (b) of the preceding sentence. Such policies will provide that the same may not be invalidated against Lessor or any Assignee by reason of any violation of a condition or breach of warranty of the policies or the application therefor by Lessee, that the policies may be canceled or materially altered or reduced in coverage (except as otherwise permitted under the terms of this Lease) by the insurer only after thirty (30) days' prior written notice to Lessor and each Assignee, and that the insurer will give written notice to Lessor and each Assignee in the event of nonpayment of premium by Lessee when due. The policies of insurance required under this Section shall be valid and enforceable policies issued by insurers of recognized responsibility in providing insurance for the United States railroad industry. In the event that any of such policies referred to in clause (b) of the first sentence of this Section shall now or hereafter provide coverage on a "claims-made" basis, Lessee shall continue to maintain such policies in effect for a period of not less than three (3) years after the expiration of the Term of the last Item of Equipment leased to Lessee hereunder. Upon the execution of this Lease and thereafter not less than thirty (30) days prior to the expiration dates of any expiring policies theretofore furnished under this Section, certificates of the insurance coverage required by this Section and, if requested by Lessor or any Assignee, copies of the policies

evidencing such insurance coverage, shall be delivered by Lessee to Lessor and each other named loss payee and/or additional insured. Any certificate of insurance issued with respect to a blanket policy covering other equipment not subject to this Lease shall specifically describe the Equipment as being included therein and covered thereby to the full extent of the coverages and amounts required hereunder. If Lessee shall fail to cause the insurance required under this Section to be carried and maintained, Lessor or any Assignee may provide such insurance and Lessee shall reimburse Lessor or any such Assignee, as the case may be, upon demand for the cost thereof as a Supplemental Payment hereunder.

18. General Tax Indemnity. Lessee agrees to pay, defend and indemnify and hold Lessor, each Assignee and their respective successors and assigns harmless on an after-tax basis from any and all Federal, state, local and foreign taxes, fees, withholdings, levies, imposts, duties, ad valorem or property taxes, all license, franchise or registration fees, fines, tariffs, switching fees, demurrage charges, assessments and charges of any kind and nature whatsoever, together with any penalties, fines or interest thereon (herein called "taxes or other impositions") howsoever imposed, whether levied or imposed upon or asserted against Lessor, any Assignee, Lessee, the Equipment, any Item of Equipment, or any part thereof, by any Federal, state or local government or taxing authority in the United States, or by any taxing authority or governmental subdivision of a foreign country, upon or with respect to (a) the Equipment, or any Item of Equipment or any part thereof, (b) the manufacture, construction, ordering, purchase, ownership, delivery, leasing, subleasing, re-leasing, possession, use, maintenance, registration, re-registration, titling, re-titling, licensing, documentation, return, repossession, sale or other application or disposition of the Equipment, or any Item of Equipment or any part thereof, (c) the rentals, receipts or earnings arising from the Equipment or any Item of Equipment or any part thereof, or (d) this Lease, each Lease Supplement, the Rent and/or Supplemental Payments payable by Lessee hereunder; provided, however, that the foregoing indemnity shall not apply to any taxes or other impositions based upon or measured solely by Lessor's or any Assignee's net income, or which are imposed as a result of Lessor's sale or assignment of Equipment other than pursuant to Section 24 hereof, or which are included as exceptions to the indemnity provisions contained in Section 19(d) of this lease, and which are imposed or levied by any Federal, state or local taxing authority in the United States. Lessee will promptly notify Lessor of all reports or returns required to be made with respect to any tax or other imposition with respect to which Lessee is required to indemnify hereunder, and will promptly provide Lessor with all information necessary for the making and timely filing of such reports or returns by Lessor. If Lessor requests that any such reports or returns be prepared and filed by Lessee, Lessee will prepare and file the same if permitted by applicable law to file the same, and if not so permitted, Lessee shall prepare such reports or returns for signature by Lessor, and shall forward the same, together with immediately available funds for payment of any tax or other imposition due, to Lessor, at least ten (10) days in advance of the date such payment is to be made. Upon written request, Lessee shall furnish Lessor with copies of all paid

receipts or other appropriate evidence of payment for all taxes or other impositions paid by Lessee pursuant to this Section 18. All of the indemnities contained in this Section 18 shall continue in full force and effect notwithstanding the expiration or earlier termination of this Lease in whole or in part, including the expiration or termination of the Term with respect to any Item (or all) of the Equipment but only to the extent that the taxes or other impositions relate to a period during the Term of this Lease with respect to such Item, and are expressly made for the benefit of, and shall be enforceable by, Lessor and each Assignee; provided, however, that Lessee assumes no greater obligation to any Assignee than it assumes to Lessor hereunder. The provisions contained in Section 19(c) of this Lease related to contesting a Tax Loss also shall apply to any taxes or other impositions described herein.

19. Special Tax Indemnity.

(a) Tax Assumptions. In entering into this Lease and the transactions contemplated hereby, Lessor has made the following tax assumptions for each Item of Equipment (the "Tax Assumptions"): (i) Lessor will be entitled to the benefit of cost recovery deductions for Federal income tax purposes under the Accelerated Cost Recovery System provided for in Section 168 of the Code and depreciation or cost recovery deductions for state income tax purposes for Lessor's Home State (hereinafter defined) based upon ninety percent (90%) of the Acquisition Cost of each such Item of Equipment and on the basis that each Item of Equipment shall have the applicable recovery period and property classification, and that Lessor shall be entitled to use the method of depreciation and depreciation convention, specified on the Tax Schedule (hereinafter defined) attached to and made a part of the Related Exhibit A for such Item (the "Recovery Deduction"); provided, however that Lessor assumes that it will be entitled to the Recovery Deduction based only upon eighty-seven and 66/100 percent (87.66%) of the amount actually paid at closing to the seller of the Items of Equipment until such time as the Door Modification on an Item of Equipment has been completed as certified by Lessee (the "Completion Date") at which time Lessor shall be entitled to a Recovery Deduction based upon ninety percent (90%) of the Acquisition Cost of such Item of Equipment for the balance of the recovery period beginning with the Acceptance Date for such Item of Equipment, and following such recovery period Lessor shall be entitled to a Recovery Deduction based upon one hundred percent (100%) of that portion of the Acquisition Cost relating to the Door Modification for a period equal to the time period from the Acceptance Date of such Item up to and including the Completion Date; (ii) with respect to each Item of Equipment, Lessor will be entitled to the benefit of deductions for Federal and Lessor's Home State income tax purposes for interest payable with respect to any indebtedness incurred by Lessor in connection with any financing by Lessor of any portion of the Acquisition Cost of such Item of Equipment (the "Interest Deduction"); and (iii) for each year of the Term, with respect to each Item of Equipment, including any year in which a Tax Loss (hereinafter defined) occurs, Lessor will be subject to tax as follows: (a) for each such year up to and including the year in which such Tax Loss occurs, at a composite Federal and state corporate income tax rate

that is equal to the highest marginal rate for corporations provided for under the Code and the laws of Lessor's Home State (the "Highest Composite Marginal Tax Rate") and that is actually in effect for each such year, and (b) for each such year following the year in which such Tax Loss occurs, at a composite Federal and state corporate income tax rate that is equal to the Highest Composite Marginal Tax Rate actually in effect in the year in which such Tax Loss occurs and which, under the provisions of the Code and the laws of Lessor's Home State then in effect, is to be applicable to each such following year. As used herein the term "Lessor's Home State" means the state specified as such on any Tax Schedule, and the term "Tax Schedule" means the schedule of tax assumptions attached to and made a part of each Related Exhibit A.

(b) Lessee's Tax Representations and Warranties. Lessee represents and warrants to Lessor that (i) at the time Lessor becomes the owner of each Item of Equipment such Item will constitute tangible personal property; (ii) at all times during the Term, with respect to each Item of Equipment, such Item will not constitute "tax-exempt use property" within the meaning of Section 168(h)(1)(A) of the Code; (iii) in determining the Recovery Deduction for Federal Income Tax purposes for each Item of Equipment, Lessor shall be entitled to assume that each such Item shall have the applicable recovery period, property classification and useful life specified on the Tax Schedule attached to the Related Exhibit A for such Item; (iv) at the end of the Basic Term with respect to each Item of Equipment, the fair market value of such Item will be an amount equal to at least twenty percent (20%) of the Acquisition Cost thereof, without including in such value any increase or decrease for inflation or deflation during the Basic Term thereof, and after subtracting from such value any cost to Lessor for removal and delivery of possession of such Item to Lessor at the end of the Term thereof; (v) as of the date hereof each Item of Equipment is expected to be useful or usable by Lessor at the end of the Term thereof for purposes other than continued leasing by or transfer to any member of the Lessee Group (as such term is defined in Revenue Procedure 75-21, C.B. 1975-1, 715); (vi) during the recovery period specified on the Tax Schedule attached to the Related Exhibit A the Lessee will be a domestic common carrier by railroad or a corporation which is controlled directly or indirectly, by one or more such common carriers; (vii) as of the date hereof the only expected use outside the United States of each Item of Equipment is use in Canada or Mexico on a temporary basis which is not expected to exceed a total of 90 days in any taxable year within the meaning of Section 861(e) of the Code; and (viii) the Door Modification shall be completed on each Item of Equipment on or before December 31, 1994.

(c) Indemnity. (A) If by reason of (i) any act or failure to act of Lessee (regardless of whether any such act or failure to act is permitted or required by the terms of this Lease or otherwise), or (ii) the breach of or inaccuracy in law or in fact of any of Lessee's representations and warranties set forth in subsection (b) of this Section 19 or the breach of any of Lessee's representations and warranties set forth in any certificate or document delivered by Lessee in connection with

the delivery and acceptance of any Item of Equipment, or (iii) the sale or other disposition of any Item of Equipment or the interest of Lessor therein after the occurrence of an Event of Default, Lessor shall lose the benefit of, or shall not have or shall lose the right to claim, or shall suffer a disallowance or recapture of, or delay in claiming, all or any portion of the Recovery Deduction or (if Lessor finances any portion of its Acquisition Cost) the Interest Deduction, with respect to any Item of Equipment, or (B) if, as a result of the inaccuracy of either of Lessee's representations in Section 19(b)(vi) or (vii), for Federal, foreign, state or local income tax purposes, any item of income, loss or deduction with respect to any Item of Equipment is treated as derived from, or allocable to, sources outside the United States (whether or not any foreign income taxes imposed as a result thereof may be credited against Federal, state or local income taxes of Lessor), or (C) if there shall be included in the gross income of Lessor for Federal, state or local income tax purposes any amount on account of any addition, modification or improvement to or in respect of any Item of Equipment made or paid for by Lessee (any such loss, failure to have or loss of the right to claim, disallowance, recapture, delay in claiming, treatment, or inclusion referred to in any of the foregoing clauses (A) through (C) of this paragraph (c) being hereinafter called a "Tax Loss"), then a Tax Loss shall be deemed to have occurred, and the Basic Rent for such Item of Equipment shall, on the Rent Payment Date next following written notice by Lessor to Lessee that a Tax Loss has occurred, and on each succeeding Rent Payment Date, be increased by such amount which, after deduction of all taxes required to be paid by Lessor in respect of the receipt or accrual of such amount under the laws of the United States, any state or any political subdivision thereof or any foreign taxing authority, will maintain Lessor's after-tax yield and aggregate after-tax cash flows in respect of such Item of Equipment at levels which are each not less than the levels of Lessor's after-tax-yield and aggregate after-tax cash flows that would have been applicable if such Tax Loss had not occurred, and Lessee shall pay to Lessor an amount which, after the deduction of any additional taxes required to be paid by Lessor in respect of the receipt or accrual of such amount, shall be equal to the amount of any interest, penalty or additions to tax which may be imposed in connection with such Tax Loss. In the event that the Term with respect to any Item of Equipment is terminated prior to the time Lessee is obligated to make the increased Basic Rent payments to Lessor with respect to such Item of Equipment as set forth in the preceding sentence, or in the event Lessor shall, by written notice to Lessee, elect to have such indemnity paid to Lessor in a lump sum payment, then, in either event, Lessee shall pay to Lessor, within thirty (30) days from the date of such written notice by Lessor to Lessee, in lieu of the increased Basic Rent payment or payments set forth in the preceding sentence, such lump sum as shall (after deduction of all taxes required to be paid by Lessor in respect of the receipt or accrual of such payment under the laws of the United States, any state or any political subdivision thereof or any foreign taxing authority) be necessary to maintain Lessor's after-tax yield and aggregate after-tax cash flows in respect of such Item of Equipment at levels which are each not less than the levels of Lessor's after-tax yield and aggregate after-tax cash flows that would have been applicable if such Tax Loss had

not occurred, and Lessee shall also pay to Lessor an amount which, after the deduction of any additional taxes required to be paid by Lessor in respect of the receipt or accrual of such amount, shall be equal to the amount of any interest, penalty or additions to tax which may be imposed in connection with such Tax Loss. Lessor's after-tax yield and aggregate after-tax cash flows shall be determined by taking into account (i) the assumptions used by Lessor in originally calculating Rent and Casualty Loss Value percentages, including the Tax Assumptions taking into account any tax benefits arising as a result of a Tax Loss (as such Tax Assumptions may have been revised pursuant to the next sentence hereof) and (ii) the Highest Composite Marginal Tax Rate actually in effect during each year from the date of such original calculations to the date of such Tax Loss, both dates inclusive. In the event Lessor shall suffer a Tax Loss with respect to which Lessee is required to pay an indemnity hereunder, and the full amount of such indemnity has been paid or provided for hereunder, the Tax Assumptions, without further act of the parties hereto, shall thereupon be and be deemed to be amended, if and to the extent appropriate, to reflect such Tax Loss. In the event any indemnity payments shall be paid to Lessor under this Section 19 with respect to any Item(s) of Equipment, the Casualty Loss Values of such Item(s) of Equipment shall be adjusted appropriately. The indemnification obligations of Lessee under this Section 19 shall survive the expiration or termination of this Lease and the Term of the Equipment.

(d) Exceptions to Indemnity. Lessee shall not be required to make any indemnity payment to Lessor provided for in this Section 19 with respect to an Item of Equipment, if Lessor shall have suffered a Tax Loss with respect to such Item of Equipment as a result of the occurrence of (i) an Event of Loss with respect to such Item of Equipment, if Lessee shall have paid to Lessor all of the amounts payable under Section 16 hereof, and to the extent that such payment compensates Lessor for such Tax Loss; or (ii) the failure of Lessor to claim the Recovery Deduction or (if Lessor finances any portion of its Acquisition Cost) the Interest Deduction, as the case may be, in a timely and proper manner, unless such failure is due to Lessee's failure to provide Lessor with the information reasonably necessary to make such claim, or unless in the reasonable opinion of Tax Counsel (hereinafter defined), there is no reasonable basis for such claim; or (iii) the failure of Lessor to have sufficient income to benefit from the Recovery Deduction or (if Lessor finances any portion of its Acquisition Cost) the Interest Deduction, as the case may be, after giving effect to all permitted tax loss carry forwards and carry backs; or (iv) a voluntary or involuntary transfer or other voluntary or involuntary disposition by Lessor of all or any part of its interest in such Item of Equipment, other than any such transfer or disposition pursuant to Section 24 hereof.

(e) Contest. In the event a claim shall be made by any taxing authority against Lessor that a Tax Loss has occurred, Lessor shall provide Lessee with timely notice of such claim and if, in the opinion of independent tax counsel selected by Lessee and reasonably acceptable to Lessor ("Tax Counsel") a reasonable defense to such claim exists, Lessor

shall, provided that no Event of Default has occurred and is continuing, upon Lessee's written request and at the expense of Lessee, contest such matter in such forum as Lessor shall select, considering in good faith such request as Lessee may make concerning the most appropriate forum in which to proceed. Lessor shall not be obligated to take any such legal or other appropriate action unless it has received an opinion (the "Tax Counsel Opinion") from Tax Counsel that a bona fide defense to such claim exists and the Lessee shall have indemnified Lessor for all costs and expenses which may be incurred by Lessor in contesting such claim. The action to be taken may, in Lessor's sole discretion, be commenced prior to making payment of any tax and interest and/or penalty attributable to such claim (a "Tax Payment") or after making such Tax Payment and then suing for a refund. If Lessor takes such action prior to making such Tax Payment, the indemnity amounts payable under this Section 19 with respect to the Tax Loss need not be paid by Lessee while such action is pending; provided that Lessee shall pay the costs and expenses relating to such action when and as the same shall become due, except that Lessor shall reimburse Lessee for such costs and expenses in the event that the Lessor terminates or otherwise discontinues such action prior to a Final Determination (hereinafter defined) other than at Lessee's request. In such case, if the Final Determination (hereinafter defined) shall be adverse to Lessor, the indemnity amounts payable under this Section 19 with respect to the Tax Loss shall be computed by Lessor as of the date of such Final Determination, Lessor shall notify Lessee in writing of such computation and Lessee shall make the indemnity payments required in accordance with this Section 19. If Lessor determines to make such Tax Payments prior to contesting the matter, and to then sue for a refund, Lessee will advance to Lessor, as an interest-free loan and without any additional net-after-tax cost to Lessor, an amount equal to the amount of such Tax Payment attributable to such claim. If Lessor sues for a refund after making such Tax Payment, and if the Final Determination shall be in favor of Lessor (i) no future payments shall be due hereunder in respect of such matter (or an appropriate reduction shall be made if the Final Determination is partly in favor of and partly adverse to Lessor) other than any outstanding costs or expenses incurred by Lessor with respect to such contest, and (ii) Lessor shall pay to the Lessee an amount equal to the amounts theretofore paid by Lessee to Lessor in respect of such Tax Payment (or a proportionate part thereof if the Final Determination is partly in favor of and partly adverse to Lessor) on or before the next succeeding Rent Payment Date (or within thirty (30) days from such Final Determination, if there is no succeeding Rent Payment Date), together with the amount of any penalty or interest actually refunded to Lessor as a result of such Final Determination. If the Final Determination of such contest shall be adverse to Lessor, the indemnity amounts payable under of this Section 19 with respect to the Tax Loss shall be computed by Lessor as of the date of such Final Determination, Lessor shall notify Lessee in writing of such computation and Lessee shall make the indemnity payments required in accordance with this Section 19. "Final Determination", for the purposes of this subsection (e), means a final decision of a court of competent jurisdiction after all allowable appeals have been exhausted by either party to the action, or a determination within the meaning of Section 1313(a) of the

Code. Notwithstanding the foregoing provisions of this subsection (e), Lessor in its sole discretion (by written notice to Lessee) may unconditionally waive its rights to the indemnity amounts payable under this Section 19 and refrain from contesting any Tax Loss, in which event Lessee shall have no liability to Lessor under this Section 19 with respect to such Tax Loss, it being understood that any such waiver shall be without prejudice to Lessor's rights with respect to any other Tax Loss. If Lessor waives its rights with respect to any Tax Loss as aforesaid, Lessor shall promptly pay Lessee all amounts theretofore paid or advanced by Lessee in respect of such Tax Loss.

(f) Consolidated Tax Returns; Lessor's Assigns. For purposes of this Section 19, the term "Lessor" will include the corporation constituting Lessor, its successor(s) in interests, each Assignee and each of their respective successors in interests and assigns and any Consolidated Group (hereinafter defined) of which Lessor or any such Assignee or any of their respective successors in interests or assigns is, or may become a member, and each member of such Consolidated Group. As used in this subsection (f) the term "Consolidated Group" means an affiliated group (within the meaning of Section 1504 of the Code) that files consolidated returns for Federal income tax purposes and any group filing combined or consolidated returns pursuant to the rules of any state taxing authority.

20. Indemnification. Lessee hereby assumes liability for, and does hereby agree to indemnify, protect, save, defend, and hold harmless Lessor, each Assignee and their respective officers, directors, stockholders, successors, assigns, agents and servants (each such party being herein, for purposes of this Section 20, called an "indemnified party") on an after-tax basis from and against any and all obligations, fees, liabilities, losses, damages, penalties, claims, demands, actions, suits, judgments, costs and expenses, including legal expenses, of every kind and nature whatsoever, imposed on, incurred by, or asserted against any indemnified party, in any way relating to or arising out of (a) the manufacture, construction, ordering, purchase, acceptance or rejection, ownership, titling or retitling, registration or reregistration, delivery, leasing, subleasing, releasing, possession, use, operation, storage, removal, return, repossession, sale or other disposition of the Equipment or any Item of Equipment, or any part thereof, including, without limitation, any of such as may arise from (i) loss or damage to any property or death or injury to any persons, (ii) patent or latent defects in the Equipment (whether or not discoverable by Lessee or any indemnified party), (iii) any claims based on strict liability in tort, and (iv) any claims based on patent, trademark, tradename or copyright infringement, (v) any claims based upon any non-compliance with or violation of any environmental control, noise or pollution laws or requirements, including without limitation, fines and penalties arising from violations of or noncompliance with such requirements or failure to report discharges, and costs of clean-up of any discharge and (vi) any loss or damage to any commodities loaded or shipped in the Equipment; or (b) any failure on the part of Lessee to perform or comply with any of the terms of this Lease, or (c) any power of attorney

issued to Lessee to license, relicense, title, retitle, register or reregister Items of Equipment subject to motor vehicle titling and registration laws, and any towing charges, parking tolls, fines, parking and speeding tickets, odometer certifications and other civil and criminal motor vehicle violations with respect to any such Item, and all penalties and interest applicable thereto; provided, however, that Lessee assumes no greater obligation to any Assignee or other indemnified party than it assumes to Lessor hereunder. Lessee shall give each indemnified party prompt notice of any occurrence, event or condition known to Lessee as a consequence of which any indemnified party may be entitled to indemnification hereunder. Lessee shall forthwith upon demand of any such indemnified party reimburse such indemnified party for amounts expended by it in connection with any of the foregoing or pay such amounts directly. Lessee shall be subrogated to an indemnified party's rights in any matter with respect to which Lessee has actually reimbursed such indemnified party for amounts expended by it or has actually paid such amounts directly pursuant to this Section 20. In case any action, suit or proceeding is brought against any indemnified party in connection with any claim indemnified against hereunder, such indemnified party will, promptly after receipt of notice of the commencement of such action, suit or proceeding, notify Lessee thereof, enclosing a copy of all papers served upon such indemnified party, but failure to give such notice or to enclose such papers shall not relieve Lessee from any liability hereunder. Lessee may, and upon such indemnified party's request will, at Lessee's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by Lessee and reasonably satisfactory to such indemnified party and in the event of any failure by Lessee to do so, Lessee shall pay all costs and expenses (including, without limitation, attorney's fees and expenses) incurred by such indemnified party in connection with such action, suit or proceeding. The provisions of this Section 20, and the obligations of Lessee under this Section 20, shall apply from the date of the execution of this Lease notwithstanding that the Term may not have commenced with respect to any Item of Equipment, and shall survive and continue in full force and effect notwithstanding the expiration or earlier termination of this Lease in whole or in part, including the expiration or termination of the Term with respect to any Item (or all) of the Equipment (provided, however that the Lessee shall not be responsible for claims relating to a period following the later of (a) the expiration or earlier termination of this Lease and (b) the return of the Equipment to Lessor) and are expressly made for the benefit of, and shall be enforceable by, each indemnified party.

21. NO WARRANTIES. LESSOR HEREBY LEASES THE EQUIPMENT TO LESSEE AS-IS AND EXPRESSLY DISCLAIMS AND MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESSED OR IMPLIED, AS TO THE DESIGN, CONDITION, QUALITY, CAPACITY, MERCHANTABILITY, DURABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF, OR ANY OTHER MATTER CONCERNING, THE EQUIPMENT. LESSEE HEREBY WAIVES ANY CLAIM (INCLUDING ANY CLAIM BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR INFRINGEMENT) IT MIGHT HAVE AGAINST LESSOR FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGE) OR EXPENSE CAUSED BY THE EQUIPMENT OR BY LESSEE'S LOSS OF USE THEREOF FOR ANY

REASON WHATSOEVER. So long and only so long as an Event of Default shall not have occurred and be continuing, and so long and only so long as the Equipment shall be subject to this Lease and Lessee shall be entitled to possession of the Equipment hereunder, Lessor authorizes Lessee, at Lessee's expense, to assert for Lessor's account, all rights and powers of Lessor under any manufacturer's, vendor's or dealer's warranty on the Equipment or any part thereof; provided, however, that Lessee shall indemnify, protect, save, defend and hold harmless Lessor from and against any and all claims, and all costs, expenses, damages, losses and liabilities incurred or suffered by Lessor in connection therewith, as a result of, or incident to, any action by Lessee pursuant to the foregoing authorization.

22. Lessee's Representations and Warranties. Lessee hereby represents and warrants that (a) Lessee is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation set forth above, and is qualified to do business in, and is in good standing in, each state or other jurisdiction in which the nature of its business makes such qualification necessary; (b) Lessee has the corporate power and authority to execute and perform this Lease and to lease the Equipment hereunder, and has duly authorized the execution, delivery and performance of this Lease; (c) the leasing of the Equipment from Lessor by Lessee, the execution and delivery of this Lease, each Lease Supplement, and other related instruments, documents and agreements, and the compliance by the Lessee with the terms hereof and thereof, and the payments and performance by Lessee of all of its obligations hereunder and thereunder (i) have been duly and legally authorized by appropriate corporate action taken by Lessee, (ii) are not in contravention of, and will not result in a violation or breach of, any of the terms of Lessee's Certificate of Incorporation (or equivalent document), its By-Laws, or of any provisions relating to shares of the capital stock of Lessee, and (iii) will not violate or constitute a breach of any provision of law, any order of any court or other agency of government, or any indenture, agreement or other instrument to which Lessee is a party, or by or under which Lessee or any of Lessee's property is bound, or be in conflict with, result in a breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or instrument, or result in the creation or imposition of any Lien upon any of Lessee's property or assets; (d) this Lease has been executed by the duly authorized officer or officers of Lessee and delivered to Lessor and constitutes, and when executed by the duly authorized officer or officers of Lessee and delivered to Lessor each Lease Supplement and related instruments, documents and agreements with respect to each Item of Equipment will constitute, the legal, valid and binding obligations of Lessee, enforceable in accordance with their terms; (e) neither the execution and delivery of this Lease or any Lease Supplement by Lessee, nor the payment and performance by Lessee of all of its obligations hereunder and thereunder, requires the consent or approval of, the giving of notice to, or the registration, filing or recording with, or the taking of any other action in respect of, any Federal, state, local or foreign government or governmental authority or agency or any other Person other than filing of the Lease and Lease Supplement(s) with the

Interstate Commerce Commission and Registrar General of Canada; (f) no mortgage, deed of trust, or other Lien which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Equipment or any Item of the Equipment, or in any manner affects or will affect adversely Lessor's right, title and interest therein except for Permitted Liens; (g) there is no litigation or other proceeding now pending or, to the best of Lessee's knowledge, threatened, against or affecting the Lessee, in any court or before any regulatory commission, board or other administrative governmental agency which would directly or indirectly adversely affect or impair the title of Lessor to the Equipment, or which, if decided adversely to Lessee, would materially adversely affect the business operations or financial condition of Lessee; (h) all balance sheets, statements of profit and loss and other financial data that have been delivered to Lessor with respect to Lessee (i) are complete and correct in all material respects, (ii) accurately present the financial condition of Lessee on the dates for which, and the results of its operations for the periods for which, the same have been furnished, and (iii) have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods covered thereby; and there has been no change in the condition of Lessee, financial or otherwise, since the date of the most recent financial statements delivered to Lessor with respect to Lessee; and (i) Lessee is a "common carrier", as such term is defined in the Interstate Commerce Act, as amended, and (j) the execution, delivery or performance by the Lessee of this Lease and Lease Supplement and other related instruments, documents and agreements, does not require the consent or approval of, or the registration with, or the taking of any other action in respect of, the Interstate Commerce Commission or the Securities and Exchange Commission.

23. Events of Default. Any of the following events shall constitute an Event of Default:

(a) Lessee shall fail to make any payment of Interim Rent or Basic Rent or any Supplemental Payment within five (5) days after the same is due and payable; or

(b) Lessee shall fail to observe or perform any of the covenants or agreements of Lessee set forth in Sections 6, 14(a), 14(b) or 17 hereof; or

(c) Lessee shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it under this Lease, or in any agreement or certificate furnished to Lessor or any Assignee in connection herewith, and such failure shall continue unremedied for thirty (30) days after written notice to Lessee specifying such failure and demanding the same to be remedied; or

(d) Lessee (or any Guarantor) shall be in default (i) under any lease, loan agreement or other agreement, instrument or document heretofore, now or hereafter entered into between Lessee (or any Guarantor)

and Lessor, or between Lessee (or any Guarantor) and any parent, subsidiary or affiliate of Lessor, and such default shall have been declared by the party entitled to declare the same, or (ii) under any promissory note heretofore, now or hereafter executed by Lessee (or any Guarantor) and delivered to any party referred to in clause (i) above evidencing a loan made by any such party to Lessee (or any Guarantor), or (iii) in the payment or performance of any obligation of Lessee (or of any Guarantor) to any Person (other than Lessor, or any parent, subsidiary or affiliate of Lessor, and other than any Guarantor) in excess of \$5,000,000.00 (excluding any such non-payment or non-performance which is being contested in good faith by Lessee or any Guarantor by appropriate proceedings and the liability for which has not been reduced to judgment) relating to the payment of borrowed money or the payment of rent or hire under any lease agreement, and such obligation shall be declared to be due and payable or otherwise accelerated prior to the maturity thereof; or an attachment or other Lien shall be filed or levied against a substantial part of the property of Lessee (or any Guarantor), and such judgment shall continue unstayed and in effect, or such attachment or Lien shall continue undischarged or unbonded, for a period of 30 days; or

(e) Lessee (or any Guarantor) shall become insolvent or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or a trustee or a receiver shall be appointed for Lessee (or for any Guarantor) or for a substantial part of its property without its consent and shall not be dismissed for a period of 60 days; or any petition for the relief, reorganization or arrangement of Lessee (or any Guarantor), or any other petition in bankruptcy or for the liquidation, insolvency or dissolution of Lessee (or any Guarantor), shall be filed by or against Lessee (or any Guarantor) and, if filed against Lessee (or any Guarantor), shall be consented to or be pending and not dismissed for a period of 60 days, or an order for relief under any bankruptcy or insolvency law shall be entered by any court or governmental authority of competent jurisdiction with respect to Lessee (or any Guarantor); or any execution or writ or process shall be issued under any action or proceeding against Lessee whereby any of the Equipment may be taken or restrained; or Lessee's (or any Guarantor's) corporate existence shall cease; or Lessee (or any Guarantor) shall (whether in one transaction or a series of transactions), without Lessor's prior written consent, sell, transfer, dispose of, pledge or otherwise encumber, all or substantially all of its assets or property, or consolidate or merge with any other entity, or become the subject of, or engage in, a leveraged buy-out or any other form of corporate reorganization other than as permitted in the Corporate Guaranty executed by Parent dated as of September 30, 1992; or

(f) any representation, warranty, statement or certification made by Lessee under this Lease or in any Lease Supplement or in any document or certificate furnished Lessor or any Assignee in connection herewith or pursuant hereto (or made by any Guarantor under any Guaranty or other document or certificate furnished to Lessor or any Assignee by any Guarantor) except for representations contained in Section 19(b) hereof, shall prove to be materially untrue or incorrect when made, or shall be

breached.

24. Remedies Upon Default. Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, and subject to the last paragraph of this Section 24, Lessor may exercise one or more of the following remedies as Lessor in its sole discretion shall elect:

(a) Lessor may terminate this Lease, without prejudice to any other remedies of Lessor hereunder, with respect to all or any Item of Equipment, and whether or not this Lease has been so terminated, may enter the premises of Lessee or any other party to take immediate possession of the Equipment and remove all or any Item of Equipment by summary proceedings or otherwise, or may cause Lessee, at Lessee's expense, to store, maintain, surrender and deliver possession of the Equipment or such Item in the same manner as provided in Section 6 hereof, all without liability to Lessor for or by reason of such entry or taking of possession, whether for the restoration of damage to property caused by such taking or otherwise;

(b) Lessor may hold, keep idle or lease to others the Equipment or any Item of Equipment, as Lessor in its sole discretion may determine, free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto, except that Lessee's obligation to pay Basic Rent for any Rental Periods commencing after Lessee shall have been deprived of possession pursuant to this Section 24 shall be reduced by the net proceeds, if any, received by Lessor from leasing the Equipment or such Item to any Person other than Lessee for the same Rental Periods or any portion thereof;

(c) Lessor may sell the Equipment or any Item of Equipment at public or private sale as Lessor may determine, free and clear of any rights of Lessee, and Lessee shall pay to Lessor, as liquidated damages for loss of a bargain and not as a penalty (in lieu of the Basic Rent due for the Equipment or Item(s) so sold for any Rental Period commencing after the date on which such sale occurs), the sum of (i) all unpaid Interim Rent and Basic Rent payable for each Item of Equipment for all Rental Periods through the date on which such sale occurs, plus (ii) an amount equal to the excess, if any, of (x) the Casualty Loss Value of the Item(s) of Equipment so sold, computed as of the Rent Payment Date coincident with or next preceding the date of such sale, over (y) the net proceeds of such sale, plus interest at the rate specified in Section 26 hereof on the amount of such excess from the Rent Payment Date as of which such Casualty Loss Value is computed until the date of actual payment, plus (iii) all unpaid Supplemental Payments due with respect to each Item of Equipment so sold;

(d) whether or not Lessor shall have exercised, or shall thereafter at any time exercise, any of its rights under subsection (a) or (b) above with respect to any Item(s) of Equipment, Lessor, by written

notice to Lessee specifying a payment date, may demand that Lessee pay to Lessor, and Lessee shall pay to Lessor, on the payment date specified in such notice, as liquidated damages for loss of a bargain and not as a penalty (in lieu of the Basic Rent due for any Item(s) of Equipment for any Rental Period commencing after the payment date specified in such notice and in lieu of the exercise by Lessor of its remedies under subsection (b) above in the case of a re-lease of such Item(s) or under subsection (c) above with respect to a sale of such Item(s)), the sum of (i) all unpaid Interim Rent and Basic Rent payable for such Item(s) for all Rental Periods through the payment date specified in such notice, plus (ii) all unpaid Supplemental Payments due with respect to such Item(s) as of the payment date specified in such notice, plus (iii) whichever of the following amounts Lessor, in its sole discretion, shall specify in such notice (together with interest on such amount at the rate specified in Section 26 hereof from the payment date specified in such notice to the date of actual payment): (x) an amount, with respect to each such Item, equal to the Basic Rent payable for such Item for the remainder of the then current Term, after discounting such Basic Rent payment to present worth as of the payment date specified in such notice at the Discount Rate (hereinafter defined), or (y) an amount, with respect to each such Item, equal to the Casualty Loss Value of such Item computed as of the Rent Payment Date coincident with or next preceding the payment date specified in such notice; provided, however, that with respect to any such Item returned to or repossessed by Lessor, the amount recoverable by Lessor pursuant to the foregoing clause (x) shall be reduced (but not below zero) by an amount equal to the fair market rental value of such Item for such remaining Term after discounting such fair market rental value to present worth at the Discount Rate as of the date on which Lessor has obtained possession of such Item, and the amount recoverable by Lessor pursuant to the foregoing clause (y) shall be reduced (but not below zero) by an amount equal to the fair market sales value of such Item as of the date on which Lessor has obtained possession of such Item; and

(e) Lessor may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof or to rescind this Lease.

In addition, Lessee shall be liable for all costs and expenses, including attorney's fees, incurred by Lessor or any Assignee by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of the Equipment in accordance with Section 6 hereof or in placing the Equipment in the condition required by said Section. For the purpose of subsection (d) above, the "fair market rental value" or the "fair market sales value" of any Item of Equipment shall mean such value as has been determined by an independent qualified appraiser selected by Lessor. Except as otherwise expressly provided above, no remedy referred to in this Section 24 is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity; and the exercise or

beginning of exercise by Lessor of any one or more of such remedies shall not constitute the exclusive election of such remedies and shall not preclude the simultaneous or later exercise by Lessor of any or all of such other remedies. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. To the extent permitted by applicable law, Lessee hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use the Equipment in mitigation of Lessor's damages as set forth in this Section 24 or which may otherwise limit or modify any of Lessor's rights and remedies in this Section 24. As used herein, the term "Discount Rate" means the discount rate of the Federal Reserve Bank of Boston, Massachusetts, that is in effect on the payment date specified in any notice given by Lessor to Lessee pursuant to subsection (d) of this Section 24.

Prior to the exercise by Lessor of any remedies with respect to an Event of Default, Lessor shall provide Lenders' Agent with notice of such Event of Default (except any default under Section 23(e) of the Lease). If such Default shall occur under Section 23(a) of the Lease, Lenders' Agent may, at its option, within ten (10) days of notice, make the payment of Rent and/or any Supplemental Payment then due but unpaid under the Lease directly to Lessor provided that Lenders' Agent has not made more than the two (2) preceding payments of Rent that were due but unpaid by Lessee under the Lease directly to Lessor, and provided further, that in no event shall Lenders' Agent make more than a cumulative number of six (6) payments of Rent and/or a cumulative number of six (6) payments of Supplemental Payments due but unpaid by Lessee directly to Lessor; and provided further, that Lenders' Agent may, at its option, and at its sole risk and expense, within ten (10) days of notice, cure any other curable Lease Default so long as such action does not materially impair the Equipment or the rights of Lessor therein. In the event that Lenders' Agent does not cure any such Event of Default within ten (10) days of notice, Lessor may proceed to exercise its remedies as provided in this Section without further notice or liability to Lessee or Lenders' Agent.

25. Lessor's Right to Perform for Lessee. If Lessee fails to make any Supplemental Payment required to be made by it hereunder or fails to perform or comply with any of its agreements contained herein, Lessor may itself, after notice to Lessee, make such payment or perform or comply with such agreement, and the amount of such payment and the amount of the reasonable expenses of Lessor incurred in connection with such payment or the performance of or compliance with such agreement, as the case may be, together with interest thereon at the rate specified in Section 26 hereof, shall, if not paid by Lessee to Lessor on demand, be deemed a Supplemental Payment hereunder; provided, however, that no such Payment, performance or compliance by Lessor shall be deemed to cure any Event of Default hereunder.

26. Late Charges. Lessee shall pay to Lessor, upon demand, to the extent permitted by applicable law, interest on any installment of Basic Rent or Interim Rent not paid when due, and on any Supplement Payment or

other amount payable under this Lease which is not paid when due, for any period for which any of the same is overdue (without regard to any grace period) at a rate equal to the lesser of (a) eighteen percent (18%) per annum, or (b) the maximum rate of interest permitted by law.

27. Further Assurances. Lessee will promptly and duly execute and deliver to Lessor and any Assignee such other documents and assurances, including, without limitation, such amendments to this Lease as may be reasonably required by Lessor and by any Assignee (provided, however, that such amendments do not place additional obligations on the Lessee or remove any obligations from the Lessor or Assignees as originally provided herein), and Uniform Commercial Code financing statements and continuation statements, and filings with the Interstate Commerce Commission, and will take such further action as Lessor or any Assignee may from time to time reasonably request in order to carry out more effectively the intent and purposes of this Lease and to establish and protect the rights and remedies created or intended to be created in favor of Lessor and of any Assignee and their respective rights, title and interests in and to the Equipment.

28. Notices. All notices provided for or required under the terms and provisions hereof shall be in writing, and any such notice shall be deemed given when personally delivered or when deposited in the United States mails, with proper postage prepaid, return receipt requested, or sent by overnight or express mail addressed (i) if to Lessor or Lessee, at their respective addresses as set forth herein or at such other address as either of them shall, from time to time, designate in writing to the other, and (ii) if to any Assignee, to the address of such Assignee as such Assignee shall designate in writing to Lessor and Lessee. A copy of any notice given to Lenders' Agent pursuant to Section 24 shall be addressed as follows:

The First National Bank of Boston
Transportation Division
100 Federal Street
Boston, Massachusetts 02110
Attention: Michael J. Blake, Director

or such other address as the Lenders' Agent shall have furnished in writing to Lessor.

29. Lessee's Renewal and Purchase Options.

(a) Lessee's Renewal Option. If (i) no Event of Default shall have occurred and be continuing and (ii) this Lease shall not have been earlier terminated, Lessee shall be entitled, at its option upon written notice to Lessor, as hereinafter provided, to renew this Lease with respect to all, but not less than all, Items of Equipment then subject to this Lease for the Renewal Term(s) specified on the Related Exhibit A for such Item. The first Renewal Term with respect to each such Item of Equipment will commence at the expiration of the Basic Term of such Item, and each succeeding Renewal Term will commence at the expiration of the next

preceding Renewal Term. All of the provisions of this Lease shall be applicable during each Renewal Term for each such Item of Equipment, except that, during each Renewal Term, Basic Rent shall be the fair market rental value thereof determined in accordance with Section 29(c) hereof and shall be payable at the times and on the Rent Payment Dates set forth on said Related Exhibit A. If Lessee intends to exercise said renewal option with respect to any of said Renewal Terms, Lessee shall give written notice to Lessor to such effect at least two hundred forty (240) days prior to the expiration of the Basic Term of the Item(s) of Equipment whose Basic Term first expires hereunder, in the case of the first Renewal Term, and at least two hundred forty (240) days prior to the expiration of the then current Renewal Term of the Item(s) of Equipment whose Basic Term first expires hereunder in the case of the then next succeeding Renewal Term. If Lessee fails to give such written notice to Lessor with respect to any of said Renewal Terms, it shall be conclusively presumed that Lessee has elected not to exercise said renewal option with respect to said Renewal Term, in which case (unless Lessor has otherwise agreed in writing or Lessee has exercised its purchase option under Section 29(b) hereof) each such Item of Equipment shall be returned to Lessor in accordance with the provisions of Section 6 hereof and until each such Item has been so returned Lessee shall continue to pay Lessor the Basic Rent for each such Item as specified in the next to last sentence of Section 6 hereof.

(b) Lessee's Purchase Option. If (i) no Event of Default shall have occurred and be continuing, and (ii) this Lease shall not have been earlier terminated, Lessee shall be entitled, at its option, upon written notice to Lessor, as hereinafter provided, to purchase all, but not less than all, Items of Equipment then subject to this Lease, on the date immediately following the date of the expiration of the Basic Term of each such Item of Equipment or, as the case may be, the expiration of the then Renewal Term of each such Item of Equipment, for an amount, with respect to each Item of Equipment, payable in immediately available funds, equal to the fair market sales value thereof determined in accordance with Section 29(c) hereof, plus any applicable sales, excise or other taxes imposed as a result of such sale (other than gross or net income taxes attributable to such sale). Lessor's sale of each Item of Equipment shall be on an as-is, where-is basis, without any representation by, or recourse or warranty to, Lessor. If Lessee intends to exercise said purchase option, Lessee shall give written notice to Lessor to such effect at least two hundred forty (240) days prior to the expiration of the Basic Term of the Item(s) of Equipment whose Basic Term first expires hereunder, or, if Lessee has renewed this Lease pursuant to Section 29(a) hereof, then at least two hundred forty (240) days prior to the expiration of the then current Renewal Term of the Item(s) of Equipment whose Basic Term first expires hereunder. If Lessee fails to give such written notice to Lessor as aforesaid, Lessor shall be entitled to presume that Lessee has elected not to exercise said purchase option, and, unless Lessor otherwise agrees in writing, each such Item of Equipment shall be returned to Lessor in accordance with the provisions of Section 6 hereof. Until each such Item has been so returned to Lessor (or if Lessee has exercised its said purchase option but has failed, for whatever reason, to pay Lessor the

purchase option amount on the payment date specified in the first sentence of this Section 29(b) with respect to any Item then until such payment has been made to Lessor), Lessee shall continue to pay Lessor the Basic Rent for each such Item as specified in the next to last sentence of Section 6 hereof.

(c) Determination of Fair Market Sales Value and Fair Market Rental Value; Appraisal Procedure. If Lessee has elected to exercise its renewal option, as provided in Section 29(a) hereof, or has elected to exercise its purchase option, as provided in Section 29(b) hereof, then as soon as practicable following Lessor's receipt of the written notice from Lessee of Lessee's intent to exercise such option, Lessor and Lessee shall consult for the purpose of determining the fair market rental value or fair market sales value, as the case may be, of each Item of Equipment as of the end of the Basic Term thereof, or, if this Lease has been renewed pursuant to Section 29(a) hereof, then as of the end of the then current Renewal Term thereof, and any values agreed upon in writing shall constitute such fair market rental value or fair market sales value of each such Item of Equipment for the purposes of this Section 29. If Lessor and Lessee have not agreed upon such fair market sales value or fair market rental value, as the case may be, of any Item of Equipment by the thirtieth (30th) day before the Basic Term or, if applicable, the then current Renewal Term, of such Item expires, the same shall be determined at Lessee's cost and expense by averaging the determinations (disregarding the one that differs most from the other two) of three qualified independent appraisers, one appointed by Lessor, the second by Lessee and the third by the first two appraisers or, if such first two appraisers cannot agree on the third appraiser, by a court having jurisdiction, and such determination shall be conclusively binding on Lessor and Lessee. For all purposes of this Section 29, fair market sales value and fair market rental value shall be determined on the basis of, and shall equal in value, the amount which would obtain in an arm's length transaction between an informed and willing buyer-user or lessee (other than a lessee currently in possession and a used equipment or scrap dealer) and an informed and willing seller or lessor under no compulsion to sell or lease, and in such determination, costs of removal from the location of current use shall not be a deduction from such value, and it shall be assumed (whether or not the same be true) that the Equipment has been maintained in accordance with the requirements of Section 11 hereof and would have been returned to Lessor in compliance with the requirements of Section 6 hereof.

30. Financial Information. Lessee agrees to furnish Lessor (a) as soon as available, and in any event within 120 days after the last day of each fiscal year of Lessee, a copy of the consolidated balance sheet of Lessee and its consolidated subsidiaries as of the end of such fiscal year, and related consolidated statements of income and retained earnings of Lessee and its consolidated subsidiaries for such fiscal year, certified by an independent certified public accounting firm of recognized standing, each on a comparative basis with corresponding statements for the prior fiscal year, and a copy of Parent's form 10-K, if any, filed with the Securities and Exchange Commission for such fiscal year; (b) within 45 days

after the last day of each fiscal quarter of Parent (except the last such fiscal quarter), a copy of the balance sheet as of the end of such quarter, and statement of income and retained earnings covering the fiscal year to date of Parent and its consolidated subsidiaries, each on a comparative basis with the corresponding period of the prior year, all in reasonable detail and certified by the treasurer or principal financial officer of Parent, together with a copy of Parent's form 10-Q, if any, filed with the Securities and Exchange Commission for such quarterly period; (c) contemporaneously with its transmittal to each stockholder of Parent and to the Securities and Exchange Commission, all such other financial statements and reports as Parent shall send to its stockholders and to the Securities and Exchange Commission; (d) as soon as available to Parent, the notice of any adjustment resulting from any audit of the books and/or records of Parent by any taxing authority having jurisdiction over Parent; and (e) such additional financial information as Lessor may reasonably request concerning Lessee or Parent. In the event that Parent no longer is the owner of a majority of the common stock of Lessee or in the event Lessee becomes obligated to file form 10-K with the Securities and Exchange Commission, Lessee shall provide the above information with respect to Lessee.

31. Expenses. Lessee agrees, whether or not the transactions contemplated by this Lease are consummated, to pay (or reimburse Lessor for the payment of) lien searches, filing fees, appraisal fees and fees and expenses relating to the titling and registration of any Item(s) of Equipment incurred by or on behalf of Lessor, including, without limitation, the fees and disbursements of Lessor's special Interstate Commerce Commission counsel incurred in connection with the recordation of Lessor's interests therein, in connection with the negotiation and documentation of this Lease, any Guaranty and any other related instruments and documents. Lessee, at its own expense, will cause this Lease and all Lease Supplements, and any amendments or supplements thereto, to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303, with the Registrar General of Canada pursuant to Section 90 of the Railway Act, and in any similar registration system for railroad equipment adopted in Mexico during the Term of this Lease.

32. Federal Bankruptcy Act. Lessee and Lessor hereby acknowledge that this Lease is a "lease" for purposes of Section 1168 of the United States Bankruptcy Code of 1978, as amended (11 U.S.C. § 1168). So long as said Section 1168, or any successor or comparable provision affording protection to lessors of railcars from the automatic stay under the United States Bankruptcy Code (then in effect), is in effect, Lessee hereby agrees that it will not, in connection with any bankruptcy proceedings involving Lessee, take a position in any United States Bankruptcy Court that is inconsistent with Lessor's rights under said Section 1168 or said successor or comparable provision.

33. Miscellaneous. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without

invalidating or diminishing Lessor's rights under the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee hereby waives any provision of law which renders any provision of this Lease prohibited or unenforceable in any respect. No term or provision of this Lease may be amended, altered, waived, discharged or terminated orally, but may be amended, altered, waived, discharged or terminated only by an instrument in writing signed by a duly authorized officer of the party against which the enforcement of the amendment, alteration, waiver, discharge or termination is sought. A waiver on any one occasion shall not be construed as a waiver on a future occasion. All of the covenants, conditions and obligations contained in this Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of Lessor and (subject to the restrictions of Section 14(a) hereof) Lessee. If there is more than one Lessee named herein, the liability of each Lessee shall be joint and several. This Lease, each Lease Supplement and each related instrument, document, agreement and certificate, collectively constitute the complete and exclusive statement of the terms of the agreement between Lessor and Lessee with respect to the acquisition and leasing of the Equipment, and cancel and supersede any and all prior oral or written understandings with respect thereto. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Lease shall in all respects be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts, including all matters of construction, validity and performance.

Lessee's Initials

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed by their duly authorized representatives as of the date first written above.

Attest: UNIONBANC LEASING CORPORATION
(Lessor)

Assistant Clerk
(Corporate Seal)

By _____
Title: _____

Attest: TENNRAIL CORPORATION
(Lessee)

Secretary
(Corporate Seal)

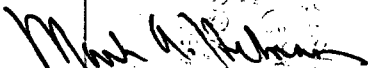
By _____
Title: _____

COUNTERPART NO. _____ OF _____ SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed by their duly authorized representatives as of the date first written above.


Attest:

UNIONBANC LEASING CORPORATION
(Lessor)



Assistant Clerk

(Corporate Seal)

By 
Title: Senior Vice President

Attest:

TENNRAIL CORPORATION
(Lessee)

Secretary

By _____
Title: _____

(Corporate Seal)

COUNTERPART NO. 6 OF 8 SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed by their duly authorized representatives as of the date first written above.

Attest: UNIONBANC LEASING CORPORATION
(Lessor)

Assistant Clerk
(Corporate Seal)

By _____
Title: _____

Attest: TENNRAIL CORPORATION
(Lessee)

[Signature]
Secretary
(Corporate Seal)

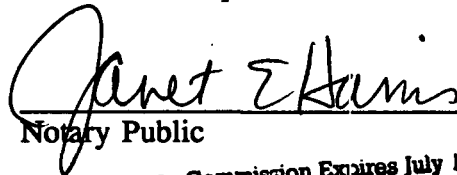
By *[Signature]*
Title: _____

COUNTERPART NO. 6 OF 8 SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

District of Columbia, ss:

On this 29th day of September, 1992, before me personally appeared Mark M. Levin, to me personally known, who being by me duly sworn, says that he is the Chairman of the Board of TennRail Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of said instrument was the free act and deed of said corporation.

(Seal)



Notary Public
My Commission Expires July 14, 1997
My Commission Expires: _____

A F F I D A V I T

I, the undersigned, Maria R. Tucci, of the City of
Tewksbury, state of Massachusetts, and therein residing at 128
Heath Street, being duly sworn, do thereby depose and say:

1. I am a subscribing witness to the execution of the foregoing
Equipment Leasing Agreement;
2. The said Equipment Leasing Agreement was signed by Leo R.
Chausse on behalf of Unionbanc Leasing Corporation in my
presence;
3. The said Leo R. Chausse, is known by me and he is of the
full age of majority as I am.

And I have signed:

Maria R. Tucci

Sworn to before me at Boston,
state of Massachusetts,
this 29th day of September 1992.

Kathleen R. Maloney
Notary public
My commission expires: 1/22/99

A F F I D A V I T

I, the undersigned, _____, of the City of _____, state of _____, and therein residing at _____, being duly sworn, do thereby depose and say:

1. I am a subscribing witness to the execution of the foregoing Equipment Leasing Agreement;
2. The said Equipment Leasing Agreement was signed by _____ on behalf of TennRail Corporation in my presence;
3. The said _____, is known by me and he is of the full age of majority as I am.

And I have signed:

Sworn to before me at _____,
state of _____,
this _____ day of _____ 1992.

Notary public

EXHIBIT A-1 TO EQUIPMENT LEASING AGREEMENT DATED AS OF SEPTEMBER 15, 1992

Type of Equipment: 234 used 70 ton, 50'6" box cars manufactured by Berwick or Pullman

Maximum Acquisition Cost: \$6,786,000.00

Acquisition Period: From September 15, 1992 to September 30, 1992, both dates inclusive.

Number of Months in Basic Term: One hundred forty-four (144) months

Basic Term Commencement Date: First day of calendar month next following the Acceptance Date of an Item of Equipment, or such Acceptance Date if it is the first day of a calendar month.

Basic Rent Percentage*: Payments 1-72: 1.1155%
Payments 73-144: .9131%

Interim Rent Percentage*: .037183%

Rental Periods for Basic Term: Each full calendar month.

Rent Payment Dates for Basic Term: The first day of each calendar month during the Basic Term. If Rent is payable in arrears, the Basic Rent for the last calendar month of the Basic Term is payable on the last day of such month.

Periodicity of Basic Rent Payments During Basic Term: Monthly in advance on each Rent Payment Date.

Renewal Term(s): Two (2) Renewal Term(s) of twelve (12) months each.

Rental Periods for Renewal Term(s): Each full calendar month.

Rent Payment Dates for Renewal Terms(s): The first day of each calendar month during each Renewal Term.

Periodicity of Basic Rent Payments During Renewal Term: Monthly in advance on each Rent Payment Date.

Financial Condition Reference Date: March 31, 1992

* as a percentage of Acquisition Cost.

TENNRAIL CORPORATION

(Lessee)

UNIONBANC LEASING CORPORATION

(Lessor)

By: _____

Title: _____

Date: _____

By: Leo Z. Paus
Title: Senior Vice President

Date: _____

SCHEDULE A-1 APPLICABLE
TO EQUIPMENT DESCRIBED IN EXHIBIT A-1
TO EQUIPMENT LEASING AGREEMENT DATED AS OF SEPTEMBER 15, 1992

List of Equipment (Continued)

WCTR102670	WCTR102730
WCTR102671	WCTR102731
WCTR102672	WCTR102732
WCT4102673	WCTR102733
WCT4102674	WCTR102734
WCTR102675	WCTR102735
WCTR102676	WCTR102736
WCTR102677	WCTR102737
WCTR102678	WCTR102738
WCTR102679	WCTR102740
WCTR102680	WCTR102741
WCTR102681	WCTR102742
WCTR102682	WCTR102743
WCTR102683	WCTR102744
WCTR102684	WCTR102745
WCTR102685	WCTR102747
WCTR102686	WCTR102748
WCTR102687	WCTR102749
WCTR102688	WCTR102750
WCTR102689	WCTR102752
WCTR102690	WCTR102753
WCTR102691	WCTR102754
WCTR102692	WCTR102755
WCTR102693	WCTR102756
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WCTR102696	WCTR102759
WCTR102698	WCTR102760
WCTR102699	WCTR102761
WCTR102700	WCTR102762
WCTR102701	WCTR102763
WCTR102702	WCTR102764
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WCTR102726	
WCTR102727	
WCTR102728	
WCTR102729	

ELLIS
ROUVELAS
MEEDS

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Washington, DC 20006-4759
(202) 628-1700
Fax: (202) 331-1024

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LLOYD MEEDS
WILLIAM N. MYHRE
RICHARD L. BARNES
KENNETH R. KAY
CRAIG J. GEHRING
KATHRYN P. BRODERICK
BRUCE J. HEIMAN
WILLIAM GRAY SCHAEFFER
PAMELA J. GARVIE
JAMES R. WEISS
SUSAN B. GEIGER
JOHN L. LONGSTRETH
JAMES R. STERN
DREW D. PETTUS
MICHAEL W. EVANS
DONALD A. KAPLAN
LAURENCE R. LATOURETTE

TIM L. PECKINPAUGH
WILLIAM A. SHOOK *
SUELLEN LOWRY
RICHARD P. REGAN
ANN R. KLEE
FIONA J. BRANTON *
ALAN J. SCHAEFFER
DENNIS M. BENJAMIN
ROLF MARSHALL *
CAROL ANN BISCHOFF
KARIN S. NEWMAN
PATRICK SUTTON *

SOL MOSHER
Senior Advisor
on Federal Affairs
and International Trade

* Admitted only in jurisdictions
other than the District of Columbia

OF COUNSEL
JOHN W. ANGUS III

October 2, 1992

VIA TELECOPIER

Robert W. Alvord, Esq.
Alvord and Alvord
918 Sixteenth Street, N.W.
Washington, DC 20006

Dear Bob:

It has come to our attention that the list of railcars attached to and filed with the Equipment Leasing Agreement between Unionbanc Leasing Corporation and TennRail Corporation (ICC Recordation No. 17958) as Schedule A contains two typographical errors which require correction. They are as follows:

- 1) Car number WCTR102512 should be WCTR102513.
- 2) Car number WCTR102626 should be WCTR102616.

Please make the necessary corrections to the Unionbanc filing as soon as possible. If I can assist you in any way further in this regard please do not hesitate to call. Thank you for your attention to this matter.

Sincerely,



Alan J. Schaeffer

F:\clients\mid-south\alvord.as

A PARTNER IN PRESTON THORGRIMSON SHIDLER GATES & ELLIS

SCHEDULE A-1 APPLICABLE
TO EQUIPMENT DESCRIBED IN EXHIBIT A-1
TO EQUIPMENT LEASING AGREEMENT DATED AS OF SEPTEMBER 15, 1992

List of Equipment (Continued)

WCTR102670	WCTR102730
WCTR102671	WCTR102731
WCTR102672	WCTR102732
WCT4102673	WCTR102733
WCT4102674	WCTR102734
WCTR102675	WCTR102735
WCTR102676	WCTR102736
WCTR102677	WCTR102737
WCTR102678	WCTR102738
WCTR102679	WCTR102740
WCTR102680	WCTR102741
WCTR102681	WCTR102742
WCTR102682	WCTR102743
WCTR102683	WCTR102744
WCTR102684	WCTR102745
WCTR102685	WCTR102747
WCTR102686	WCTR102748
WCTR102687	WCTR102749
WCTR102688	WCTR102750
WCTR102689	WCTR102752
WCTR102690	WCTR102753
WCTR102691	WCTR102754
WCTR102692	WCTR102755
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WCTR102694	WCTR102757
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WCTR102728	
WCTR102729	

PRESTON GATES ELLIS & ROUVELAS MEEDS

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PATRICK SUTTON *

OF COUNSEL
JOHN W. ANGUS III

SOL MOSHER
Senior Advisor
on Federal Affairs
and International Trade

* Admitted only in jurisdictions
other than the District of Columbia

October 2, 1992

VIA TELECOPIER

Robert W. Alvord, Esq.
Alvord and Alvord
918 Sixteenth Street, N.W.
Washington, DC 20006

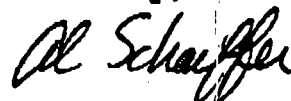
Dear Bob:

It has come to our attention that the list of railcars attached to and filed with the Equipment Leasing Agreement between Unionbanc Leasing Corporation and TennRail Corporation (ICC Recordation No. 17958) as Schedule A contains two typographical errors which require correction. They are as follows:

- 1) Car number WCTR102512 should be WCTR102513.
- 2) Car number WCTR102626 should be WCTR102616.

Please make the necessary corrections to the Unionbanc filing as soon as possible. If I can assist you in any way further in this regard please do not hesitate to call. Thank you for your attention to this matter.

Sincerely,



Alan J. Schaeffer

SCHEDULE A-1 APPLICABLE
TO EQUIPMENT DESCRIBED IN EXHIBIT A--1
TO EQUIPMENT LEASING AGREEMENT DATED AS OF SEPTEMBER 15, 1992

List of Equipment

234 used 70 ton, 50' 6" box cars manufactured by Berwick or Pullman with the following car numbers:

WCTR102500	WCTR102557	WCTR102615
WCTR102501	WCTR102558	WCTR102617
WCTR102502	WCTR102559	WCTR102618
WCTR102503	WCTR102560	WCTR102619
WCTR102504	WCTR102562	WCTR102620
WCTR102505	WCTR102563	WCTR102621
WCTR102506	WCTR102564	WCTR102622
WCTR102507	WCTR102565	WCTR102623
WCTR102508	WCTR102566	WCTR102624
WCTR102509	WCTR102568	WCTR102625
WCTR102511	WCTR102569	WCTR102626
WCTR102512 ³	WCTR102571	WCTR102627
WCTR102514	WCTR102573	WCTR102629
WCTR102516	WCTR102575	WCTR102630
WCTR102518	WCTR102576	WCTR102631
WCTR102519	WCTR102577	WCTR102632
WCTR102520	WCTR102578	WCTR102633
WCTR102521	WCTR102579	WCTR102634
WCTR102522	WCTR102580	WCTR102635
WCTR102523	WCTR102582	WCTR102636
WCTR102525	WCTR102583	WCTR102637
WCTR102526	WCTR102584	WCTR102638
WCTR102527	WCTR102585	WCTR102639
WCTR102528	WCTR102586	WCTR102640
WCTR102529	WCTR102587	WCTR102641
WCTR102530	WCTR102588	WCTR102645
WCTR102533	WCTR102589	WCTR102646
WCTR102534	WCTR102590	WCTR102647
WCTR102535	WCTR102592	WCTR102648
WCTR102536	WCTR102593	WCTR102649
WCTR102537	WCTR102594	WCTR102651
WCTR102538	WCTR102595	WCTR102652
WCTR102539	WCTR102596	WCTR102654
WCTR102540	WCTR102597	WCTR102655
WCTR102541	WCTR102599	WCTR102656
WCTR102542	WCTR102600	WCTR102657
WCTR102543	WCTR102601	WCTR102658
WCTR102544	WCTR102603	WCTR102659
WCTR102545	WCTR102604	WCTR102660
WCTR102546	WCTR102606	WCTR102661
WCTR102548	WCTR102607	WCTR102662
WCTR102549	WCTR102608	WCTR102663
WCTR102550	WCTR102609	WCTR102664
WCTR102551	WCTR102610	WCTR102665
WCTR102552	WCTR102611	WCTR102666
WCTR102554	WCTR102612	WCTR102667
WCTR102555	WCTR102613	WCTR102668
WCTR102556	WCTR102614	WCTR102669

Just

EXHIBIT B TO EQUIPMENT LEASING AGREEMENT

LEASE SUPPLEMENT NO. _____

This Lease Supplement is executed pursuant to, and incorporates by reference all of the terms, conditions and provisions of, the Equipment Leasing Agreement dated as of September 15, 1992 between the undersigned Lessor and Lessee (herein, as amended and supplemented from time to time, called the "Lease"). Lessee hereby (a) acknowledges and certifies that (i) each Item of Equipment described below or on any Schedule attached hereto has been selected by, and delivered to Lessee, (ii) Lessee has reviewed and approved the purchase order, supply contract or purchase agreement covering each such Item, and (iii) that as between Lessor and Lessee, each such Item is of a size, design, capacity and manufacture acceptable to and suitable for Lessee's purposes, has been installed to Lessee's satisfaction, and is in good working order, repair and condition; and (b) unconditionally and irrevocably accepts each such Item for lease under the Lease on the date hereof. Lessor and Lessee hereby agree that each Item of Equipment described below or on any Schedule attached hereto is hereby leased from Lessor to Lessee under and subject to all of the terms, conditions and provisions of the Lease; that the Term of each such Item commences on the date hereof and that such date is the Acceptance Date thereof; and that the Acquisition Cost, Interim Term, Basic Term Commencement Date, Basic Term, Interim Rent, Basic Rent and Related Exhibit A for all Items of Equipment covered by this Lease Supplement is as set forth below. Lessee hereby agrees to pay the Rent for all Items of Equipment covered by this Lease Supplement in the amounts and at the times specified below, reaffirms its acknowledgments and agreements in Section 8 of the Lease and certifies that its representations and warranties set forth in Section 22 of the Lease and in any related certificate delivered to Lessor are true and correct on the date hereof. All capitalized terms used herein which are not defined herein shall have the meaning given to such terms in the Lease.

1. Description of Item(s) of Equipment (include make, model, serial number and quantity): _____
2. Acquisition Cost: \$ _____
3. Interim Term: commencing on date hereof and ending on _____, 19__.
4. Basic Term Commencement Date: _____, 19__
5. Basic Term: _____ () months, commencing on Basic Term Commencement Date and ending on _____, 19__.
6. Interim Rent for Interim Term: \$ _____ (plus applicable sales/use tax) and payable on _____, 19__.
7. Basic Rent payable during Basic Term: \$ _____ (plus applicable sales/use tax) payable on each Rent Payment Date in _____ during Basic Term, commencing on _____, 19__.
8. Related Exhibit A: Exhibit A-1 to the Lease.

Dated: _____, 19__.

COUNTERPART NO. _____ OF _____
SERIALLY NUMBERED MANUALLY EXECUTED
COUNTERPARTS. TO THE EXTENT IF ANY
THAT THIS DOCUMENT CONSTITUTES
CHattel PAPER UNDER THE UNIFORM
COMMERCIAL CODE, NO SECURITY INTEREST
IN THIS DOCUMENT MAY BE CREATED
THROUGH THE TRANSFER AND POSSESSION
OF ANY COUNTERPART OTHER THAN
COUNTERPART NO. 1.

UNIONBANC LEASING CORPORATION
(Lessor)

By _____
Title: _____

TENNRail CORPORATION
(Lessee)

By _____
Title: _____

Lessee's Initials

 JLC
Lessor's Initials

EXHIBIT C
TO
EQUIPMENT LEASING AGREEMENT DATED AS OF SEPTEMBER 15, 1992
PERMITTED LIENS

1. All liens created under and pursuant to the Revolving Credit and Term Loan Agreement, dated as of December 31, 1991, as amended by the First Amendment, dated as of September 25, 1992 among TennRail Corporation, MidSouth Corporation, The First National Bank of Boston, Deposit Guaranty National Bank, First Union National Bank of North Carolina and Hibernia National Bank and the security agents and other documents relating thereto.
2. All liens created under and pursuant to the Subordinated Promissory Note dated as of December 31, 1991, executed by TennRail for the benefit of the Corinth and Counce Railroad Company and the security agreements and other documents relating thereto.

29C
Initials of Lessor

Initials of Lessee

SCHEDULE OF TAX ASSUMPTIONS APPLICABLE
TO EQUIPMENT DESCRIBED IN EXHIBIT A-1
TO EQUIPMENT LEASING AGREEMENT

1. Method of Depreciation: 200% declining balance method of depreciation, switching to the straight line method at the point in time that maximizes the depreciation allowance for Lessor.
2. Depreciation Convention: Half-Year convention specified in Section 168(d)(1) of the Code.
3. Classification of Property: 7-year property under Section 168(e)(1) of the Code.
4. Applicable Recovery Period: 7 years under Section 168(c) of the Code.
5. Useful Life: At least 15 years
6. Lessor's Home State: California



Initials of Lessor

Initials of Lessee

SCHEDULE OF CASUALTY LOSS VALUES

[Attached to and made a part of, and relating to the type of Equipment described on, Exhibit A-1 to Equipment Leasing Agreement]

<u>Rent Payment Date Number</u>	<u>Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)</u>	<u>Rent Payment Date Number</u>	<u>Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)</u>
1	105.11134	61	79.12828
2	104.72664	62	78.53610
3	104.33918	63	77.93934
4	103.94895	64	77.33556
5	103.55592	65	76.72470
6	103.16008	66	76.10782
7	102.76141	67	75.48628
8	102.35988	68	74.85758
9	101.95548	69	74.22415
10	101.54818	70	73.58349
11	101.22150	71	72.93556
12	100.92109	72	72.48687
13	100.61530	73	72.03265
14	100.30408	74	71.57287
15	99.98452	75	71.10998
16	99.65946	76	70.64148
17	99.32888	77	70.16734
18	98.99145	78	69.68863
19	98.64896	79	69.20811
20	98.30086	80	68.72189
21	97.94763	81	68.23382
22	97.58872	82	67.74000
23	97.22410	83	67.24040
24	96.85426	84	66.73888
25	96.47866	85	66.23154
26	96.09725	86	65.71834
27	95.71054	87	65.20315
28	95.31796	88	64.68206
29	94.91948	89	64.15504
30	94.51531	90	63.62378
31	94.10626	91	63.09259
32	93.69122	92	62.55542
33	93.27123	93	62.01828
34	92.84520	94	61.47512
35	92.41308	95	60.92591
36	91.97593	96	60.37667
37	91.53263	97	59.82134
38	91.08315	98	59.25990
39	90.62854	99	58.69835
40	90.16769	100	58.13065
41	89.70057	101	57.55677
42	89.22761	102	56.97935
43	88.74978	103	56.40175
44	88.26557	104	55.81790
45	87.77643	105	55.23384
46	87.28086	106	54.64349
47	86.77882	107	54.04684
48	86.27174	108	53.44989
49	85.75813	109	52.84659
50	85.23795	110	52.23691
51	84.71264	111	51.62687
52	84.18069	112	51.01040
53	83.64208	113	50.38748
54	83.09741	114	49.76076
55	82.54842	115	49.13415
56	81.99267	116	48.50103
57	81.43255	117	47.86799
58	80.86560	118	47.22841
59	80.29178	119	46.58224
60	79.71349	120	45.93608

Lessee's Initials

Z/C

Lessor's Initials

<u>Rent Date</u>	<u>Payment Number</u>	Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)	<u>Rent Date</u>	<u>Payment Number</u>	Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)
121		45.28330	133		37.12120
122		44.62386	134		36.41126
123		43.96436	135		35.70155
124		43.29817	136		34.98487
125		42.62524	137		34.26118
126		41.94849	138		33.53364
127		41.27216	139		32.81797
128		40.58904	140		32.09530
129		39.90631	141		31.38452
130		39.21675	142		30.66677
131		38.52033	143		29.94200
132		37.82421	144		30.00000 and each Rent Payment Date thereafter

Prior to Rent Payment Date Number 1, the Casualty Loss Value is 105.49330% of Acquisition Cost.

Lessee's Initials



Lessor's Initials

LEASE SUPPLEMENT NO. ONE

This Lease Supplement is executed pursuant to, and incorporates by reference all of the terms, conditions and provisions of, the Equipment Leasing Agreement dated as of September 15, 1992 between the undersigned Lessor and Lessee (herein, as amended and supplemented from time to time, called the "Lease"). Lessee hereby (a) acknowledges and certifies that (i) each Item of Equipment described below or on any Schedule attached hereto has been selected by, and delivered to Lessee, (ii) Lessee has reviewed and approved the purchase order, supply contract or purchase agreement covering each such Item, and (iii) that as between Lessor and Lessee, each such Item is of a size, design, capacity and manufacture acceptable to and suitable for Lessee's purposes, has been installed to Lessee's satisfaction, and is in good working order, repair and condition; and (b) unconditionally and irrevocably accepts each such Item for lease under the Lease on the date hereof. Lessor and Lessee hereby agree that each Item of Equipment described below or on any Schedule attached hereto is hereby leased from Lessor to Lessee under and subject to all of the terms, conditions and provisions of the Lease; that the Term of each such Item commences on the date hereof and that such date is the Acceptance Date thereof; and that the Acquisition Cost, Interim Term, Basic Term Commencement Date, Basic Term, Interim Rent, Basic Rent and Related Exhibit A for all Items of Equipment covered by this Lease Supplement is as set forth below. Lessee hereby agrees to pay the Rent for all Items of Equipment covered by this Lease Supplement in the amounts and at the times specified below, reaffirms its acknowledgments and agreements in Section 8 of the Lease and certifies that its representations and warranties set forth in Section 22 of the Lease and in any related certificate delivered to Lessor are true and correct on the date hereof. All capitalized terms used herein which are not defined herein shall have the meaning given to such terms in the Lease.

1. Description of Item(s) of Equipment (include make, model, serial number and quantity):
234 used 70 ton, 50'6" box cars manufactured by Berwick or Pullman as further described on the Schedule A attached hereto and made a part hereof.
2. Acquisition Cost: \$6,786,000.00
3. Interim Term: commencing on date hereof and ending on September 30, 1992.
4. Basic Term Commencement Date: October 1, 1992
5. Basic Term: One hundred forty-four (144) months, commencing on Basic Term Commencement Date and ending on September 30, 2004.
6. Interim Rent for Interim Term: \$ 2,523.24 (plus applicable sales/use tax) and payable on October 1, 1992.
7. Basic Rent payable during Basic Term: Payments 1-72 \$75,697.83
Payments 73-144 \$61,962.97
(plus applicable sales/use tax) payable on each Rent Payment Date in advance during Basic Term, commencing on October 1, 1992.
8. Related Exhibit A: Exhibit A-1 to the Lease.

Each Counterpart may be executed in counterparts but all counterparts of each numbered Counterpart shall constitute one document.

Dated: September 30, 1992.

COUNTERPART NO. 5 OF 8
SERIALLY NUMBERED MANUALLY EXECUTED
COUNTERPARTS. TO THE EXTENT IF ANY
THAT THIS DOCUMENT CONSTITUTES
CHattel PAPER UNDER THE UNIFORM
COMMERCIAL CODE, NO SECURITY INTEREST
IN THIS DOCUMENT MAY BE CREATED
THROUGH THE TRANSFER AND POSSESSION
OF ANY COUNTERPART OTHER THAN
COUNTERPART NO. 1.

UNIONBANC LEASING CORPORATION
(Lessor)

By [Signature]
Title: Senior Vice President

TENNRail CORPORATION
(Lessee)

By _____
Title: _____

COMMONWEALTH OF MASSACHUSETTS)
) SS
COUNTY OF SUFFOLK)

On this 29th day of September, 1992, before me personally appeared in the City of Boston, Commonwealth of Massachusetts, Leo R. Chausse, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of UNIONBANC LEASING CORPORATION, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kathleen M. Maloney
Notary Public

[NOTARIAL SEAL]

My commission expires: 1/22/99

A F F I D A V I T

I, the undersigned, Maria R. Tucci, of the City of Tewksbury, state of Massachusetts, and therein residing at 128 Heath Street, being duly sworn, do thereby depose and say:

1. I am a subscribing witness to the execution of the foregoing Lease Supplement No. One;
2. The said Lease Supplement No. One was signed by Leo R. Chausse on behalf of Unionbanc Leasing Corporation in my presence;
3. The said Leo R. Chausse, is known by me and he is of the full age of majority as I am.

And I have signed:

Maria R. Tucci

Sworn to before me at Boston,
state of Massachusetts,
this 29th day of September 1992.

Kathleen R. Maloney
Notary public
My commission expires: 1/22/99

LEASE SUPPLEMENT NO. ONE

This Lease Supplement is executed pursuant to, and incorporates by reference all of the terms, conditions and provisions of, the Equipment Leasing Agreement dated as of September 15, 1992 between the undersigned Lessor and Lessee (herein, as amended and supplemented from time to time, called the "Lease"). Lessee hereby (a) acknowledges and certifies that (i) each Item of Equipment described below or on any Schedule attached hereto has been selected by, and delivered to Lessee, (ii) Lessee has reviewed and approved the purchase order, supply contract or purchase agreement covering each such Item, and (iii) that as between Lessor and Lessee, each such Item is of a size, design, capacity and manufacture acceptable to and suitable for Lessee's purposes, has been installed to Lessee's satisfaction, and is in good working order, repair and condition; and (b) unconditionally and irrevocably accepts each such Item for lease under the Lease on the date hereof. Lessor and Lessee hereby agree that each Item of Equipment described below or on any Schedule attached hereto is hereby leased from Lessor to Lessee under and subject to all of the terms, conditions and provisions of the Lease; that the Term of each such Item commences on the date hereof and that such date is the Acceptance Date thereof; and that the Acquisition Cost, Interim Term, Basic Term Commencement Date, Basic Term, Interim Rent, Basic Rent and Related Exhibit A for all Items of Equipment covered by this Lease Supplement is as set forth below. Lessee hereby agrees to pay the Rent for all Items of Equipment covered by this Lease Supplement in the amounts and at the times specified below, reaffirms its acknowledgments and agreements in Section 8 of the Lease and certifies that its representations and warranties set forth in Section 22 of the Lease and in any related certificate delivered to Lessor are true and correct on the date hereof. All capitalized terms used herein which are not defined herein shall have the meaning given to such terms in the Lease.

1. Description of Item(s) of Equipment (include make, model, serial number and quantity):

234 used 70 ton, 50'6" box cars manufactured by Berwick or Pullman as further described on the Schedule A attached hereto and made a part hereof.
2. Acquisition Cost: \$6,786,000.00
3. Interim Term: commencing on date hereof and ending on September 30, 1992.
4. Basic Term Commencement Date: October 1, 1992
5. Basic Term: One hundred forty-four (144) months, commencing on Basic Term Commencement Date and ending on September 30, 2004.
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Each Counterpart may be executed in counterparts but all counterparts of each numbered Counterpart shall constitute one document.

Dated: September 30, 1992.

COUNTERPART NO. 5 OF 8
SERIALLY NUMBERED MANUALLY EXECUTED
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COUNTERPART NO. 1.

UNIONBANC LEASING CORPORATION
(Lessor)

By _____
Title: _____

TENNRail CORPORATION

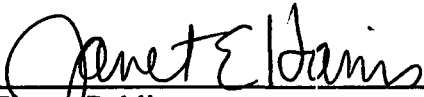
(Lessee)

By Mark M. Lee
Title: _____

District of Columbia, ss:

On this 29th day of September, 1992, before me personally appeared Mark M. Levin, to me personally known, who being by me duly sworn, says that he is the Chairman of the Board of TennRail Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of said instrument was the free act and deed of said corporation.

(Seal)



Notary Public

My Commission Expires July 14, 1997
My Commission Expires: _____

Schedule A to
Lease Supplement Number One
between Unionbanc Leasing Corporation (Lessor)
and Tennrail Corporation (Lessee)

WCTR102670	WCTR102730
WCTR102671	WCTR102731
WCTR102672	WCTR102732
WCT4102673	WCTR102733
WCT4102674	WCTR102734
WCTR102675	WCTR102735
WCTR102676	WCTR102736
WCTR102677	WCTR102737
WCTR102678	WCTR102738
WCTR102679	WCTR102740
WCTR102680	WCTR102741
WCTR102681	WCTR102742
WCTR102682	WCTR102743
WCTR102683	WCTR102744
WCTR102684	WCTR102745
WCTR102685	WCTR102747
WCTR102686	WCTR102748
WCTR102687	WCTR102749
WCTR102688	WCTR102750
WCTR102689	WCTR102752
WCTR102690	WCTR102753
WCTR102691	WCTR102754
WCTR102692	WCTR102755
WCTR102693	WCTR102756
WCTR102694	WCTR102757
WCTR102695	WCTR102758
WCTR102696	WCTR102759
WCTR102698	WCTR102760
WCTR102699	WCTR102761
WCTR102700	WCTR102762
WCTR102701	WCTR102763
WCTR102702	WCTR102764
WCTR102703	
WCTR102704	
WCTR102705	
WCTR102706	
WCTR102707	
WCTR102708	
WCTR102709	
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WCTR102717	
WCTR102718	
WCTR102719	
WCTR102720	
WCTR102721	
WCTR102723	
WCTR102724	
WCTR102725	
WCTR102726	
WCTR102727	
WCTR102728	
WCTR102729	

UNIONBANC LEASING CORPORATION

By: _____
Its: _____

TENNRAIL CORPORATION

By: Mark H. [Signature]
Its: _____

PRESTON GATES ELLIS & ROUVELAS MEEDS

ATTORNEYS AT LAW

Suite 500
1735 New York Avenue, NW
Washington, DC 20006-4759
(202) 628-1700
Fax: (202) 331-1024

EMANUEL L. ROUVELAS
JONATHAN BLANK
LLOYD MEEDS
WILLIAM N. MYHRE
RICHARD L. BARNES
KENNETH R. KAY
CRAIG J. GEHRING
KATHRYN P. BRODERICK
BRUCE J. HEIMAN
WILLIAM GRAY SCHAEFFER
PAMELA J. GARVIE
JAMES R. WEISS
SUSAN B. GEIGER
JOHN L. LONGSTRETH
JAMES R. STERN
DREW D. PETTUS
MICHAEL W. EVANS
DONALD A. KAPLAN
LAURENCE R. LATOURETTE

TIM L. PECKINPAUGH
WILLIAM A. SHOOK *
SUELLIN LOWRY
RICHARD P. REGAN
ANN R. KLEE
FIONA J. BRANTON *
ALAN J. SCHAEFFER
DENISE M. BENJAMIN
ROLF MARSHALL *
CAROL ANN BISCHOFF
KARIN S. NEWMAN
PATRICK SUTTON *

OF COUNSEL
JOHN W. ANOUS III

SOI MOSHER
Senior Advisor
on Federal Affairs
and International Trade

* Admitted only in jurisdictions
other than the District of Columbia

October 2, 1992

VIA TELECOPIER

Robert W. Alvord, Esq.
Alvord and Alvord
918 Sixteenth Street, N.W.
Washington, DC 20006

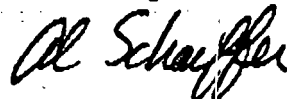
Dear Bob:

It has come to our attention that the list of railcars attached to and filed with the Equipment Leasing Agreement between Unionbanc Leasing Corporation and TennRail Corporation (ICC Recordation No. 17958) as Schedule A contains two typographical errors which require correction. They are as follows:

- 1) Car number WCTR102512 should be WCTR102513.
- 2) Car number WCTR102626 should be WCTR102616.

Please make the necessary corrections to the Unionbanc filing as soon as possible. If I can assist you in any way further in this regard please do not hesitate to call. Thank you for your attention to this matter.

Sincerely,



Alan J. Schaeffer

F:\clients\mid-south\alvord.a

Schedule A to
Lease Supplement Number One
between Unionbanc Leasing Corporation (Lessor)
and Tennrail Corporation (Lessee)

WCTR102500	WCTR102557	WCTR102615
WCTR102501	WCTR102558	WCTR102617
WCTR102502	WCTR102559	WCTR102618
WCTR102503	WCTR102560	WCTR102619
WCTR102504	WCTR102562	WCTR102620
WCTR102505	WCTR102563	WCTR102621
WCTR102506	WCTR102564	WCTR102622
WCTR102507	WCTR102565	WCTR102623
WCTR102508	WCTR102566	WCTR102624
WCTR102509	WCTR102568	WCTR102625
WCTR102511	WCTR102569	WCTR102626
WCTR102512 ³	WCTR102571	WCTR102627
WCTR102514	WCTR102573	WCTR102629
WCTR102516	WCTR102575	WCTR102630
WCTR102518	WCTR102576	WCTR102631
WCTR102519	WCTR102577	WCTR102632
WCTR102520	WCTR102578	WCTR102633
WCTR102521	WCTR102579	WCTR102634
WCTR102522	WCTR102580	WCTR102635
WCTR102523	WCTR102582	WCTR102636
WCTR102525	WCTR102583	WCTR102637
WCTR102526	WCTR102584	WCTR102638
WCTR102527	WCTR102585	WCTR102639
WCTR102528	WCTR102586	WCTR102640
WCTR102529	WCTR102587	WCTR102641
WCTR102530	WCTR102588	WCTR102645
WCTR102533	WCTR102589	WCTR102646
WCTR102534	WCTR102590	WCTR102647
WCTR102535	WCTR102592	WCTR102648
WCTR102536	WCTR102593	WCTR102649
WCTR102537	WCTR102594	WCTR102651
WCTR102538	WCTR102595	WCTR102652
WCTR102539	WCTR102596	WCTR102654
WCTR102540	WCTR102597	WCTR102655
WCTR102541	WCTR102599	WCTR102656
WCTR102542	WCTR102600	WCTR102657
WCTR102543	WCTR102601	WCTR102658
WCTR102544	WCTR102603	WCTR102659
WCTR102545	WCTR102604	WCTR102660
WCTR102546	WCTR102606	WCTR102661
WCTR102548	WCTR102607	WCTR102662
WCTR102549	WCTR102608	WCTR102663
WCTR102550	WCTR102609	WCTR102664
WCTR102551	WCTR102610	WCTR102665
WCTR102552	WCTR102611	WCTR102666
WCTR102554	WCTR102612	WCTR102667
WCTR102555	WCTR102613	WCTR102668
WCTR102556	WCTR102614	WCTR102669

WCTR

UNIONBANC LEASING CORPORATION

By: _____
Its: _____

TENNRAIL CORPORATION

By: Mark H. [Signature]
Its: _____